THE WALL STREET JOURNAL.

DOW JONES | News Corp * * * * * TUESDAY, JANUARY 10, 2023 ~ VOL. CCLXXXI NO. 7 WSJ.com U.S. Edition

DJIA 33517.65 ▼ 112.96 0.3% NASDAQ 10635.65 ▲ 0.6% STOXX 600 448.35 ▲ 0.9% 10-YR. TREAS. ▲ 14/32, yield 3.516% OIL $74.63 ▲ $0.86 GOLD $1,872.70 ▲ $8.50 EURO $1.0735 YEN 131.89

What's News

Business & Finance

Investors trying to capitalize on higher interest rates and a selloff in big technology stocks late last year are stoking a flurry of activity in the options market. **A1**

◆ **A top Chinese official said** investigations into the financial businesses of several internet firms have wrapped up, a signal that a two-year clampdown is winding down. **A1**

◆ **Former McDonald's chief** Easterbrook settled with the SEC over allegedly misleading statements he made about having sexual relationships with employees. **A1**

◆ **Southwest Airlines'** holiday meltdown has drawn the attention of New York state's public pension system, which has a history of shareholder activism. **B1**

◆ **U.S. stock indexes ended** mixed, with the S&P 500 and Dow losing 0.1% and 0.3%, respectively, while the Nasdaq rose 0.6%. **B1**

◆ **Shares of Lululemon fell** 9.3% after the firm warned its profit margins would narrow in its current quarter and set earnings targets below Wall Street estimates. **B1**

◆ **Enpal is close** to raising new funds from a group of investors led by TPG in a deal that values the solar-panel company at $2.4 billion. **B1**

◆ **Disney's Iger told** employees that, starting March 1, they would be required to work from a Disney office four days a week. **B3**

◆ **Morgan Stanley** operating chief Pruzan is retiring after 29 years at the bank, narrowing a race to succeed CEO Gorman. **B2**

World-Wide

◆ **Brazilian authorities** detained about 1,500 supporters of former President Bolsonaro who had participated in riots that targeted the Congress and other buildings, as Brazil's government expanded an investigation into the mob and who might have financed it. **A1, A6**

◆ **House Republicans** passed a rules package on Monday dictating the terms of the next session of Congress, in what was the first test for Speaker McCarthy in keeping his raucous conference united. **A4**

◆ **Classified documents** were found late last year at Biden's think tank in Washington, according to a statement from the president's attorney. **A3**

◆ **Russian forces launched** an intense new attack near the front-line city of Bakhmut, while Ukrainian soldiers resisted a six-month assault on the area, cementing it as a key symbolic prize in the war. **A7**

◆ **Biden focused** on immigration, security and supply-chain problems when he met with his Mexican counterpart on Monday for the North American Leaders' Summit. **A6**

◆ **Moderna said** it is considering pricing its Covid-19 vaccine in a range of $110 to $130 per dose in the U.S. when it shifts to commercial distribution of the shots. **A5**

◆ **A federal judge** on Monday blocked enforcement of a New Jersey law that prohibits the carrying of firearms in certain public places, ruling it violates the Second Amendment. **A2**

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Heavy Rains Drench California, Triggering Floods, Outages

JUSTIN SULLIVAN/GETTY IMAGES

CAUTION: A car is engulfed in floodwater in Windsor, Calif., on Monday after rain from California's fifth storm since Christmas pushed through the state, raising the risk of floods and landslides and leaving thousands without power. A3

Higher Rates, Tech Volatility Fuel Surge in Options Trading

By Eric Wallerstein

Investors trying to capitalize on higher interest rates and a selloff in big technology stocks late last year are stoking a flurry of activity in the options market.

Popular stocks such as Amazon.com Inc. and Nvidia Corp. lost about half of their value in the past year, raising the worth of some options tied to those shares. While stock prices have had a strong start to 2023, declines late last year were much steeper than many investors wagered, creating a mountain of deep in-the-money put option contracts—or those that allow investors to sell the shares at a price that is now far above current levels.

Nvidia shares, for instance, closed Monday at $156.28, after a gain of 5.2% on the day. Still, tens of thousands of put option contracts in the coming weeks could be exercised at $170 or above.

Eyeing quick returns, many traders are selling contracts to reinvest the premium in ultrasafe short-term investments such as repurchase agreements that now offer their most attractive yields in more than a decade.

The trades helped push the weekly amount spent on new put option purchases and sales above $40 billion four times in the fourth quarter, according to an analysis of Options Clearing Corp. data by derivatives-analytics firm SpotGamma. That compares with a weekly average of less than $10 billion through the first three quarters of 2022.

Put options give traders the right, but not the obligation, to sell shares at a stated price by a certain date, while call options grant the right to buy.

Brent Kochuba, founder of SpotGamma, describes the trade as an "arbitrage play" among big Wall Street firms. Activity gained steam in the latter half of 2022, during which the Federal Reserve increased its benchmark interest rate to above 4%.

"Megacap tech names have been beaten down, so there's tons of put options that are

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Brazil Detains 1,500 in Capital Attacks

Government officials probe riot as terrorism; Bolsonaro admitted to hospital in Florida

By Samantha Pearson And Luciana Magalhaes

BRASÍLIA—Brazilian authorities detained about 1,500 supporters of former President Jair Bolsonaro who had participated in riots that targeted the Congress and other buildings, as Brazil's government expanded an investigation into the mob and who might have financed it.

Protesters supporting Mr. Bolsonaro forced their way into the presidential palace, Congress and Supreme Court in the capital on Sunday, many calling for military intervention to oust President Luiz Inácio Lula da Silva, a standard-bearer of the Latin American left who took office a week ago. Mr. da Silva wasn't in Brasília at the time.

Mr. Bolsonaro was hospitalized on Monday in Florida, where he has been hunkered down near Disney World since leaving the country at the end of December.

Mr. Bolsonaro's wife said the 67-year-old was under observation after complaining of stomach pains related to injuries he suffered during a near-fatal stabbing while on the campaign trail in 2018.

On Monday night, Mr. da Silva said his government would determine who had been involved in the violence in Bra-

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◆ Ex-president accused of agitating rioters...................... A6

Georgia Crushes TCU to Win Title

MARK J. REBILAS/USA TODAY SPORTS

Georgia on Monday became the first team to repeat as champions in the nine-year College Football Playoff era with a dominating 65-7 win over Texas Christian University. A12

China Signals Its Clampdown On Internet Firms Nears End

By Weilun Soon

SINGAPORE—A top Chinese official said authorities have wrapped up investigations into the financial businesses of several internet companies, a strong signal that a two-year regulatory clampdown on China's homegrown tech giants is winding down.

Guo Shuqing, chairman of the China Banking and Insurance Regulatory Commission, told state media that the government had concluded a campaign to "rectify the financial businesses of 14 platform companies," with only minor problems left to be resolved.

Mr. Guo, also the party secretary of the People's Bank of China, added in the interview published Saturday that officials would look to provide more support to tech companies and work toward making supervision of the tech sector more predictable going forward.

China's sweeping clampdown on its previously fast-growing and freewheeling internet sector has ensnared companies such as Alibaba Group Holding Ltd., Meituan and Didi Global Inc. since it began in late 2020.

The effort has led to hefty fines on Chinese technology titans and erased more than $1 trillion in market value from China's largest publicly listed tech firms. The Hang Seng Tech index, a sector-focused benchmark comprising Chinese internet giants such as Alibaba, Tencent Holdings Ltd., and Baidu Inc., rose 3.2%

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◆ Beijing's moves baffle businesses.............................. A8
◆ Foreign investors are wary of jumping back into China...... B1

Failure Résumés Broadcast Misses and Flubs

* * *

Venture-capital firms humbly tout anti-portfolios of bad calls

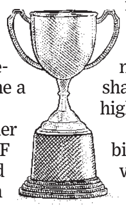
By Eric Sylvers

For venture capitalists, there are the home runs that make them millions—and the ones that could have made millions, but were passed on. The investments that got away include Meta Platforms Inc.'s Facebook before it became ubiquitous, Alphabet Inc.'s Google before it became a verb and Robinhood Markets Inc. before meme stocks became a thing.

John Frankel, a partner at New York-based FF Venture Capital, declined a chance to invest in Robinhood at a $10 million valuation. The online brokerage was worth $32 billion when it started trading on Nasdaq a few years later in 2021.

"These guys were technically incredibly strong, but they knew nothing about marketing and their financial model was ridiculous," said Mr. Frankel, who previously held a dozen positions during a 21-year career at Goldman Sachs Group Inc. "But they made it. We were wrong. What can I tell you?"

Even though Robinhood shares are now valued at only about one-fourth the price set for the initial share sale, the run-up represented potentially rich investment gains, especially if shares were sold near their highs.



Win some, lose some

Unable to forget their biggest mistakes, some venture investors—who by definition are mostly investing in companies before they become successful—are embracing them, talking about them, even writing them down. Bessemer Venture Partners, a large San Francisco-based investment firm, popularized the trend

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SEC Fines McDonald's Ex-CEO in Sex Scandal

By Heather Haddon And Dave Michaels

Former McDonald's Corp. Chief Executive Steve Easterbrook agreed to a five-year bar from serving as an officer or director of a public company to resolve a regulatory investigation over allegedly misleading statements he made about having sexual relationships with employees.

Mr. Easterbrook also agreed to pay a $400,000 fine without admitting or denying the Securities and Exchange Commission's fraud claims against him, the agency said Monday. McDonald's also agreed to settle the SEC's investigation of its conduct, which stemmed from how it described Mr. Easterbrook's separation from the company in an annual proxy statement for shareholders.

Mr. Easterbrook led McDonald's from 2015 until he was fired by the company in 2019, when McDonald's said that Mr. Easterbrook had violated company policy on personal conduct because of a consensual relationship with an employee.

The SEC said on Monday that Mr. Easterbrook told McDonald's outside counsel in October 2019 that he hadn't engaged in any physical or nonphysical sexual relationships with other company employees, assertions that the company had said its internal probe later disproved. The agency said that Mr. Easterbrook also withheld potentially relevant information from McDonald's in the course of its investigation.

Representatives for Mr. Easterbrook declined to comment Monday. Mr. Easterbrook has previously apologized for failing "to uphold McDonald's values and fulfill certain of my responsibilities as a leader of the company."

In a statement, McDonald's said, "The SEC's order reinforces what we have previously said: McDonald's held Steve Easterbrook accountable for his misconduct. We fired

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INSIDE

PERSONAL JOURNAL
Virtual assistants, call blocking and robocall apps can keep con artists at bay. **A9**

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Earth's ozone layer shows signs of recovery as airborne chemicals decline. **A3**

VISIT…

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U.S. NEWS

Daly Sees Merits in Quarter-Point Rise

By David Harrison
And Nick Timiraos

Lags between Federal Reserve interest-rate increases and their effect on the economy could be an argument to raise interest rates by a quarter percentage point rather than a half point at the central bank's next meeting, Federal Reserve Bank of San Francisco President Mary Daly said Monday.

Speaking at a Wall Street Journal Live event, Ms. Daly suggested it might be a good idea to slow the pace of rate increases to see how previous rate moves have affected the economy. Some Fed officials have raised concerns that moving too fast could risk slowing the economy too much.

"When you're being seriously data dependent, doing it in more gradual steps does give you the ability to respond to incoming information and account for those lags," she said.

Ms. Daly said rate increases of either a quarter percentage point or a half percentage point are on the table for the Fed's Jan. 31-Feb. 1 meeting.

The consumer-price index report for December, scheduled for release Thursday, will weigh on her thinking, she said.

In particular, Ms. Daly said she would be watching inflation in services excluding food, energy and housing. That category could help show whether imbalances in the labor market that have been pushing up wages are passing through to consumer prices, she said.

"I'm going to be paying a lot of attention to core services ex-housing," she said. "I'd like to see some improvement there."

Inflation eased to 7.1% in November from 7.7% the previous month, according to the Labor Department's consumer-price index. Inflation has been coming down from a June peak of 9.1%.

Ms. Daly said she expects inflation to ease to just above 3% by the end of this year before falling to just above 2% next year. She sees inflation returning to the Fed's 2% target by 2025.

She said she sees the Fed ultimately raising its policy rate to above 5% before holding it steady for a time. The Fed currently has it in a range between 4.25% and 4.5%.

Minutes from the Fed's policy meeting last month offered no details of any discussion of how much officials might consider raising rates at their next meeting, an indication they are keeping their options open between another half-point rate rise or a more traditional 0.25-point increase.

But, some officials have hinted at more strongly considering a smaller increase of 0.25 point, or 25 basis points, if inflation data shows more improvement.

Atlanta Fed President Raphael Bostic told reporters Monday that he would consider a quarter-point increase more seriously if Thursday's inflation report shows prices are slowing in line with other recent data releases.

Slowing rate rises to 0.25-point increments wouldn't mean the Fed is preparing to stop lifting them, said Charles Evans, who retired Monday as president of the Chicago Fed, in an interview last week. "You can start doing 25s and you can still string them out," said Mr. Evans. "So just going to 25 doesn't mean that a pause is imminent."

In remarks last week, Richmond Fed President Thomas Barkin said that after having raised interest rates substantially last year, "it makes sense to steer more deliberately as we work to bring inflation down."

Ms. Daly said she doesn't anticipate a discussion on raising the Fed's inflation target above 2% to account for long-term changes to the global economy brought about by the Covid-19 pandemic.

"I don't see that as being on the table at all right now," she said.

DAVID PAUL MORRIS/BLOOMBERG NEWS

Federal Reserve Bank of San Francisco President Mary Daly, pictured in August, said Monday that rate increases of a quarter or half point are on the table for the Fed's Jan. 31-Feb. 1 meeting.

Options Activity Surges

Continued from Page One

now deep in the money," he said. "Once interest rates surged, market makers piled in."

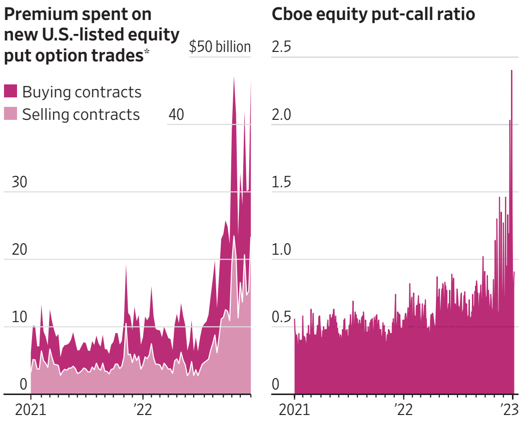
Stock indexes were mixed on Monday, with the S&P 500 and Dow Jones Industrial Average closing lower and the Nasdaq Composite rising 0.6%. The Nasdaq, S&P and Dow industrials all rose about 1% or more during the first week of the year.

Although the amount of money that traders spent on options soared, the number of contracts traded rose by less than one-fifth, a shallow increase that suggests expensive puts, such as those that are deep in the money, were the ones changing hands.

The options market as a whole has boomed in recent years, partly driven by individual investors who are lured by small upfront costs and quick potential payoffs. Trading activity set another record last year, with more than 41 million contracts changing hands on an average day.

Short-dated options that allow traders to turbocharge wagers have surged in popularity recently. Trading of deep in-the-money contracts more than doubled to nearly 11% of daily average stock-options volume in the fourth quarter from a multiyear average around 5%, according to Henry Schwartz, senior director and head of product intelligence at the exchange Cboe Global Markets.

Options trading is inherently risky. Typically, investors buy options to wager on the trajectory of a stock or index for a fraction of what it would cost to buy the security outright. The risk of selling is far greater—a trader could be on the hook to pay several times more than the initial cash they receive.



*Weekly data through December 2022
Sources: SpotGamma, Options Clearing (put option trades); Dow Jones Market Data, Cboe, FactSet (put-call ratio)

The risk tied to the recent whirlwind of put options activity is different. Traders targeting deep in-the-money puts hope they aren't forced to buy shares that eat up their capital when the bank or party on the other side of the trade exercises the options.

"Firms will have a number of different objectives, and trade a variety of structures with slightly different exposures, but they are all going after the in-the-money puts," said John Zhu, U.S. head of trading at market maker Optiver in Chicago. Mr. Zhu noted that some traders might be looking to damp down existing exposures, rather than add new ones.

One consequence of the boom in activity is in the ratio of equity put options to call options changing hands on Cboe. The ratio, traditionally seen as a measure of investor angst, recently rose to 2.4, after breaching 1.5 for the first time ever in December, according to Dow Jones Market Data.

Despite the appearance of fear, other indicators suggest that options protecting from market turmoil are in low demand. The Nations TailDex, which measures the cost of put options that would pay out in a major S&P 500 decline, recently hit a near-decade low.

"Common thinking is that high readings in the Cboe equity put-call ratio suggest fear is rampant, because traders are purchasing a large number of puts," Mr. Kochuba of SpotGamma said. "Occasionally, this can be correct. In this case, it is not."

Humbly Touting Bad Calls

Continued from Page One

with a page on its website dedicated to the "anti-portfolio."

The company's "long and storied history has afforded our firm an unparalleled number of opportunities to completely screw up," declares the Bessemer page.

Bessemer's long list of misses includes Google in 1999, Tesla Inc. in 2006, Apple Inc. at a $60 million valuation and Airbnb Inc. at $40 million. And then there was Facebook, shunned by Bessemer partner Jeremy Levine.

"Jeremy Levine spent a weekend at a corporate retreat in the summer of 2004 dodging persistent Harvard undergrad [and Facebook co-founder] Eduardo Saverin's rabid pitch," Bessemer's anti-portfolio says. "Finally, cornered in a lunch line, Jeremy delivered some sage advice, 'Kid, haven't you heard of Friendster? Move on. It's over!' "

That unflinching honesty has become lore in the venture-capital world.

"I'm not sure how great it is to be known for what you didn't do," said Mr. Levine, whose hits include early investments in LinkedIn, Shopify and Yelp. "Now we have a page on the website on the investments that turned out really well, and that is almost as popular as the anti-portfolio, so we feel much better about ourselves."

In 2021, booming economies and post-Covid lockdown enthusiasm led to a record number of U.S.-based companies reaching a pre-IPO valuation of at least $1 billion, according to analytics firm CB Insights. As the valuations surged, so did the fear of missing out.

"The fear of missing out drives everybody, this is a very competitive industry," said Alastair Mitchell, a partner and co-head of EQT Ventures. Despite that fear, he passed up the chance to invest in Revolut Ltd. because he said Revolut's already high valuation had spooked him. The company is now Europe's most highly valued unlisted financial technology firm. "When you miss out it feels like a gut punch," he said.

Mr. Mitchell did get an early investment in Pleo, which manages employee expenses for companies and got a valuation in late 2021 of almost $5 billion.

By touting their warts, firms in a field not known for its modesty can show a degree of humility and that they are learning from their mistakes, potentially making them appear more trustworthy to investors.

There are skeptics. Hunter Walk, a partner at venture firm Homebrew who himself has publicly admitted some of his misses, called anti-portfolios "performative BS."

"The next best thing if you missed investing in a startup that became very successful is to signal that you saw the deal even if you chose not to invest," Mr. Walk wrote in a blog post.

"Failure résumés" also had a moment in academia several years ago. Melanie Stefan, a professor of physiology at Medical School Berlin, helped popularize them.

"As a junior scientist you sometimes feel like you're the first ever to fail," said Dr. Stefan, who laid out her idea in an article for Nature. "I thought if

The firm has had 'an unparalleled number of opportunities to completely screw up.'

people did a failure CV it would remind them of what they achieved and might inspire another scientist to keep going."

Inspired by Dr. Stefan, Johannes Haushofer, a professor of economics at Stockholm University, published his CV of flops, which includes numerous scholarships rebuffed, papers rejected and funding denied. It ricocheted around the internet, prompting him to write: "This darn CV of Failures has received way more attention than my entire body of academic work."

Greg Kidd, a co-founder of early-stage venture firm Hard Yaka, got in on the first round of Robinhood through another fund. But he is still smarting over passing up on the seed round for Revolut, which got a $33 billion valuation in its most recent funding round in 2021.

"I don't know why I was so concerned about the company making money from Day 1," said Mr. Kidd. "It was a hit and I blew it. I tried to cover up my mistake by buying in at a later round at a much higher valuation."

Other venture-capital firms publishing their anti-portfolios include Vancouver, Canada-based Version One Ventures, which passed on Honey Science Corp. at a $12 million valuation in 2015. PayPal Holdings Inc. bought the online shopping and rewards platform for $4 billion less than five years later. ("$12 million felt kind of high," Version One's anti-portfolio says.)

French venture firm ISAI and Milan-based Italian Angels for Growth have helped introduce the anti-portfolio to Europe.

In 2017, Rouven Dresselhaus, a managing partner at Berlin-based Cavalry Ventures, had a chance to invest in Coinbase Global Inc., a crypto exchange that hit a valuation of $85 billion at the end of its first day of trading in 2021.

Mr. Dresselhaus was investing at the last minute after another investor fell through. A day before the deadline to wire the money, Hurricane Irma hit the Caribbean, including the British Virgin Islands, home to Coinbase's investment vehicle. The storm knocked out much of the region's infrastructure and hijacked Mr. Dresselhaus's attempt to meet the deadline.

"All of us knew Coinbase, we used it ourselves, we were bullish on crypto at that time," said Mr. Dresselhaus. "We saw a huge golden pot waiting for us at the end of a not-too-distant rainbow."

Never mind that Coinbase's market capitalization has fallen by about 90%. Mr. Dresselhaus thinks he would have cashed out up at least 100 times on his investment because he would have sold the shares as soon as the post-IPO lockup ended.

Ruth Foxe Blader, a partner at London-based venture-capital firm Anthemis Group, missed an early chance to invest in AcreTrader Inc., a platform for buying farmland, because her associate following the company was on vacation when the company launched and then quickly closed a funding round.

About a year later, Anthemis led AcreTrader's next funding round, but only after Ms. Blader didn't take her eyes off her inbox for weeks for fear of missing out again. By then, the company's valuation had risen considerably.

"We managed to shepherd in the deal we'd missed a year earlier. It was highly satisfying, all except the price," she said.

BESSEMER

ANTHEMIS

CAVALRY VENTURES

Jeremy Levine of Bessemer declined to make an early investment in Facebook; Ruth Foxe Blader of Anthemis missed an early chance to invest in AcreTrader because an associate was on vacation; and Rouven Dresselhaus of Cavalry Ventures couldn't invest in Coinbase because of a hurricane.

New Jersey Gun Curbs Blocked By Judge

By Jimmy Vielkind

A federal judge on Monday blocked enforcement of a New Jersey law that prohibits the carrying of firearms in certain public places, ruling it violates the Second Amendment.

New Jersey can't enforce bans on concealed weapons in public libraries and museums, bars and entertainment facilities, according to the ruling by U.S. District Judge Renée Marie Bumb. She also blocked a provision that required businesses to indicate that they specifically allow people to carry on their premises.

"Together, the new restrictions are so extensive and burdensome that they render Plaintiffs' right to armed self-defense in public a nullity," Judge Bumb, an appointee of Republican President George W. Bush, wrote in granting a temporary restraining order.

Democratic lawmakers in New Jersey passed the restrictions last year following a U.S. Supreme Court ruling in June that struck down New York's concealed-weapons permitting regime. The 6-3 Bruen decision said states could ban firearms in "sensitive places" such as libraries and government buildings, but said any restrictions must be consistent with the nation's historical tradition of firearms regulation.

The ruling prompted several new laws, largely in Democratic-led jurisdictions, aimed at regulating firearm usage. Gun-rights organizations have filed lawsuits to challenge the new laws, and a similar suite of restrictions in New York was also put on hold last year. Other changes to New Jersey's permitting process—including a provision that requires pistol owners to obtain liability insurance—weren't challenged.

A spokesman for Democratic New Jersey Gov. Phil Murphy said the state is considering an appeal.

"We are working closely with the Attorney General's Office to correct this errant decision and to ensure that the law will be reinstated in its entirety," the spokesman said.

The plaintiffs in the lawsuit are a collection of people who hold concealed-weapons permits and regularly carry firearms while conducting business. They were supported by gun-rights groups, including the Firearms Policy Coalition. Bill Sack, the organization's director of legal operations, said he was thrilled by the ruling and said the law's enforcement would have caused irreparable constitutional injury.

CORRECTIONS & AMPLIFICATIONS

In the third quarter of 2022 there were 883 million fewer public-transit trips than during the same period of 2019. A Page One article on Monday about public transportation incorrectly said 883,000 fewer.

Readers can alert The Wall Street Journal to any errors in news articles by emailing **wsjcontact@wsj.com** or by calling 888-410-2667.

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Biden Think Tank Had Classified Files

By Annie Linskey

WASHINGTON—Classified documents were found late last year at President Biden's think tank in Washington, according to a statement from the president's attorney.

The documents, earlier reported by CBS News, were discovered in November by Mr. Biden's personal lawyers as they packed files at the Penn Biden Center for Diplomacy and Global Engagement in Washington, according to a statement by the president's attorney Richard Sauber.

White House officials notified the National Archives when the documents were found on Nov. 2 and the National Archives took possession of the documents the following day, according to the statement.

Mr. Sauber described the papers as a "small number of documents with classified markings" and said Mr. Biden's attorneys "have cooperated with the Archives and the Justice Department in a process to ensure that any Obama-Biden Administration records are appropriately in the possession of the Archives."

Attorney General Merrick Garland asked John Lausch, the U.S. attorney for the Northern District of Illinois, to review the documents, according to people familiar with the matter. Mr. Lausch was appointed to his post during the Trump administration and kept it when Mr. Biden took office with the support of Illinois Democratic Sens. Richard Durbin, the Judiciary Committee chairman, and Tammy Duckworth.

White House officials notified the National Archives when the papers were found.

A spokesperson for the Justice Department declined to comment.

Former President Donald Trump's Mar-a-Lago home was searched in August by Federal Bureau of Investigation agents who confiscated about 20 boxes of documents, some of them marked classified. The search came after an extended back-and-forth between federal officials seeking the papers and the former president's representatives and has become part of a protracted legal battle.

Mr. Trump has decried the search and has said he used his authority to declassify the material before he left office.

"When is the FBI going to raid the many homes of Joe Biden, perhaps even the White House?" Mr. Trump asked on his social-media platform in reaction to the news.

House Oversight Committee Chairman James Comer (R., Ky.) noted that the Biden administration has made adhering to the Presidential Records Act "a top priority," an apparent reference to Mr. Trump's case. "We expect the same treatment for President Biden," Mr. Comer said.

Rep. Jamie Raskin of Maryland, the top Democrat on the House Oversight Committee, said he has confidence that Mr. Garland "took the appropriate steps" to review the material and "make an impartial decision about any further action that may be needed."

Mr. Biden didn't respond to questions shouted at him Monday about the documents as he was with Mexican President Andrés Manuel López Obrador at the National Palace in Mexico City. Mr. Biden is there for the North American Leaders summit, and Mr. Garland is accompanying him on that trip.

The Penn Biden Center is "founded on the principle that a democratic, open, secure, tolerant, and interconnected world benefits all Americans," according to its website. Mr. Biden periodically worked from the center from mid-2017 until he launched his 2020 presidential campaign, according to Mr. Sauber's statement.

FROM TOP: PATRICK CULLIS/NOAA, WILLIAM SKORSKI/NOAA

An ozonesonde weather balloon, left and above, with instruments mounted to it, measures the size and thickness of the ozone hole above the South Pole. A new report by a U.N.-backed panel of scientists found a significant thickening of Earth's ozone layer.

Ozone Layer Shows Signs of Recovery

By Eric Niiler

Airborne chemicals that destroy ozone are now declining for the first time, helping to repair the atmospheric layer that protects humans from the sun's harmful ultraviolet rays, according to a new report by a U.N.-backed panel of scientists.

In a report released Monday by the United Nations Environment Program and the World Meteorological Organization, researchers found a significant thickening of the ozone layer, a region of the atmosphere from 9 to 18 miles high that absorbs ultraviolet rays and prevents them from reaching the Earth's surface.

This layer has been fragile for decades as the result of chemicals used as refrigerants and propellants that destroy ozone, a compound made of three oxygen atoms. When these long-lasting chemicals mix with cold temperatures and meteorological conditions above Antarctica, the reaction creates an ozone hole over the region each spring that varies in size and depth each year.

In the late 1990s, when ozone-depleting gases were at their peak, the ozone layer was reduced by 4% compared with pre-1980 levels. The new report states that the recovery is continuing but will still take many years.

The thickening of the ozone layer means more protection for humans and other life.

Excess UV rays can lead to skin cancer, cataracts and impaired immune-system function, according to health studies, while damaging the growth of crops and ocean phytoplankton.

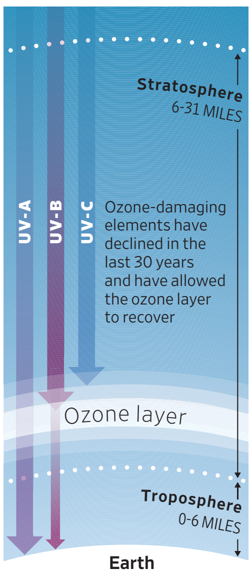
The report found ozone-damaging chlorine declined 11.5% in the stratosphere between its peak in 1993 and 2020, while bromine declined 14.5% in the stratosphere between its peak in 1999 and 2020.

The scientists who wrote the study say their findings are a bit of good news for the planet.

"This is the basic measure of success," said David Fahey, director of the National Oceanic and Atmospheric Administration's chemical-sciences laboratory in Boulder, Colo., and co-chair of the panel that wrote the study. "The abundance of all of the principal ozone-depleting gases and their emissions have peaked and now they are coming down."

Ozone-depleting chemicals called chlorofluorocarbons, or CFCs, were banned in 1987 by the Montreal Protocol, an international treaty signed by all member states of the U.N. The Kigali Amendment, signed in 2016, banned a group of chemicals known as hydrofluorocarbons, or HFCs, which were used for many years as a substitute for CFCs, but don't damage the ozone layer.

The ozone layer in the stratosphere blocks harmful solar radiation from getting to the surface of the earth.



Note: Not to scale Source: NASA

The scientific assessment released Monday stated HFCs are also a planet-warming greenhouse gas and estimated that the HFC ban has eliminated the use of chemicals that otherwise would have resulted in as much as 0.5 degree Celsius of warming by 2100.

In 2018, scientists detected a 25% surge in a banned ozone-depleting chemical, trichlorofluoromethane, or CFC-11. They pinpointed the problem to factories in northeastern China that were emitting CFC-11 in the production of foam insulation. After pressure from the international community, as well as the Chinese government, the emissions have now declined, said Paul Newman, chief scientist for earth sciences at the NASA Goddard Space Flight Center and a co-chair of the U.N. scientific assessment panel.

"We identified that these emissions were going up and now they've come down," Dr. Newman said.

"Actions taken by the Chinese government and other governments have had a positive impact. They have controlled these unexpected emissions and that is a good message."

The ozone layer is vulnerable to other threats as well. Australian wildfires in 2019 and 2020 sent moist smoke particles into the stratosphere, where they sparked chemical reactions that ate away at the ozone layer, according to a study published in the journal Science. Although the ozone reduction was temporary, the researchers said large wildfires could pose a persistent threat to global ozone levels.

Despite the threats from wildfires and Chinese factory emissions, the ozone layer is now expected to recover to 1980 levels—before the appearance of the ozone hole—by around 2066 over the Antarctic, by 2045 over the Arctic and by 2040 for the rest of the world, the report stated.

A similar scientific assessment in 2018 showed improvement in the ozone layer in the mid-latitude regions of the Northern Hemisphere. In the 2022 assessment, released Monday, positive signs of recovery for the ozone layer are also being detected in the tropics and Southern Hemisphere's mid-latitudes, according to Dr. Newman.

Every September, the ozone layer thins to form an ozone hole above Antarctica. Forms of chlorine and bromine in the atmosphere attach to high-altitude polar clouds each southern winter. These chemicals then begin to destroy the ozone layer as the sun rises at the end of Antarctica's winter, according to NASA.

Scientists measure the size and thickness of the ozone hole using specially designed weather balloons launched from Antarctica and several other locations, as well as four orbiting satellites operated by NASA and NOAA.

CRAIG RUTTLE/ASSOCIATED PRESS

Nurses outside Mount Sinai Hospital, above, one of the two hospitals hit by the strike on Monday.

Over 7,000 Nurses Go on Strike At Two New York City Hospitals

By Ginger Adams Otis

More than 7,000 nurses at two New York City hospitals went on strike Monday after contract talks broke down over pay and staffing levels.

Roughly 3,500 nurses at Montefiore Medical Center in the Bronx and approximately 3,600 nurses at Mount Sinai Hospital in Manhattan walked off the job as of 6 a.m., according to the New York State Nurses Association, which represents the striking workers.

The labor action comes after late-night bargaining between NYSNA representatives and both hospitals failed to produce tentative agreements, the union said. Both hospitals said NYSNA had turned down a 19.1% compounded wage increase over the duration of the contract and offers to improve staffing that its nurses at other facilities had accepted.

"We will not give up on our fight to ensure that our patients have enough nurses at the bedside," the union said Monday.

Montefiore said its hospital remains open but its elective surgeries and procedures have been canceled, along with appointments at its ambulatory centers. The hospital said it promised to create over 170 new nursing positions, yet "NYSNA leadership has decided to walk away from their patients."

Mount Sinai said its procedures continued as usual on Monday. The hospital said it made some changes ahead of the strike, such as diverting ambulances to other locations, transferring newborn babies who need intensive care and arranging for cancer patients to find alternative ways to get treatment.

The two hospitals have more than 1,000 beds between them, according to NYSNA.

Gov. Kathy Hochul on Sunday urged the union and hospitals to enter into arbitration to resolve the contract dispute. Arbitration would allow a third-party arbitrator to decide the terms of the contract.

Storms Batter California Again

By Alyssa Lukpat And Jim Carlton

Heavy rains from California's fifth storm since Christmas pushed through the state Monday, raising the risk of major floods and landslides in the already saturated state.

Another storm rolled in on Sunday night as the state was still cleaning up from previous storms that Gov. Gavin Newsom said had killed 12 people. The storms have been generated by "atmospheric rivers," or plumes of moisture that forecasters said would unleash trillions of gallons of rainfall.

Residents of Montecito and some other coastal communities in Santa Barbara County were ordered to evacuate early Monday afternoon as heavy rainfall hit the upscale area of Southern California. State officials said the action was taken to help avoid a repeat of mudflows that swept through recently burned areas of the county in January 2018 and left at least 23 dead.

"When you get heavy rain rates like this, it makes the land more prone to landslide and debris flows," Michael Anderson, California's state climatologist, said in a media briefing with other state water officials.

Rockslides and flooding closed multiple highways and major thoroughfares, officials said, including a northbound stretch of Highway 101 near Santa Barbara that is expected to remain closed until at least midday Tuesday. County officials urged residents to shelter in place and avoid driving as they scrambled to open emergency shelters for those who may have commuted to work and become stranded.

Roughly 87,000 customers in California were without power Monday evening, according to poweroutage.us. Crews to help restore power have been brought in from states as far away as Colorado and New Mexico, PG&E Corp. officials said in a briefing.

Forecasters predicted the series of storms would continue through Jan. 19.

California officials said even a moderate amount of rain could produce significant flooding because the soil was already saturated. Department of Water Resources officials said Monday that nine locations near rivers in Northern California and the Central Valley were expected to exceed flood stages later in the day, with 32 more likely to approach them.

As much as 5 inches of rain poured on the San Francisco Bay Area before the atmospheric river headed south to Southern California. The storm was set to end Tuesday, state officials said.

The Federal Emergency Management Agency issued a disaster declaration for California on Monday. State officials have said the series of storms battering California are some of the most severe in years.

—Christine Mai-Duc contributed to this article.

House Passes Session's Rules Package

Vote sets procedures for the new Congress, clears way for GOP to pursue legislation

By Natalie Andrews

WASHINGTON—House Republicans passed a rules package Monday dictating the terms of the next session of Congress, in what was the first test for Speaker Kevin McCarthy in keeping his raucous conference united.

The rules package, a required step before moving on to legislation, is typically passed on the first day of a new Congress. But it was delayed by the GOP fight to elect a new speaker. Mr. McCarthy (R., Calif.) prevailed early Saturday morning on the 15th ballot over four days, after making a series of concessions to holdouts.

The package passed 220 to 213, with all Democrats and one Republican, Rep. Tony Gonzales of Texas, opposing the measure. It is customary for the minority party to oppose the rules.

JOSE LUIS MAGANA/ASSOCIATED PRESS

House Speaker Kevin McCarthy on his way to the speaker's ceremonial office at the Capitol on Monday. The rules package passed 220-213.

The package, which includes standard rules on decorum, also restores what is known as the motion to vacate the chair, a procedure that would allow one Republican member to ask for a vote to remove the speaker. It also outlines several Republican priorities around spending, such as banning consideration of any bill that has the net effect of increasing mandatory spending.

Republicans said their rules package would help Congress function better, by requiring all bills to be focused on only one issue and requiring 72 hours of review before a vote. It also ends all pandemic procedures instituted by Democrats, including voting by proxy and participating in committee hearings remotely.

"For far too long, Democrats have run roughshod over the norms and practices of the people's house, weaponizing the rules of the House to protect themselves and the Biden administration from proper oversight," said Rep. Michelle Fischbach (R., Minn.).

Democrats opposed the rules package, saying that it, along with the deals struck by Mr. McCarthy, would allow Republicans to hold the economy hostage.

The rules package "makes clear that extremists are setting their agenda, not Speaker McCarthy," Rep. Chellie Pingree (D., Maine). "He didn't have the votes to be speaker so he made concession after concession to a radical wing of his caucus just to hold the gavel."

In the rules, House Republicans also plan to reinstate the so-called Holman rule, which lets lawmakers make changes to federal agency and personnel functions during the appropriations process, such as reductions to federal employees' salaries, as well as staffing reductions. Any such efforts to use the rule would face opposition from the Democratic-controlled Senate.

The rules package will also impose changes on the Office of Congressional Ethics, potentially limiting the office's ability to investigate lawmakers.

Republicans are also working to make progress on other fronts. The steering committee is set to meet and determine committee assignments for their party as well as chairman posts in contests in which multiple members were vying for a gavel. In the negotiations for his speakership, Mr. McCarthy promised several members of the House Freedom Caucus, a group of far-right members, positions on plum committees like Appropriations and Rules.

—Siobhan Hughes contributed to this article.

McCarthy Ally Wins Key Position

By Richard Rubin And Siobhan Hughes

WASHINGTON—House Republican leaders chose Rep. Jason Smith (R., Mo.) to run the House Ways and Means Committee, giving him a prime perch to shape the party's approach to tax, trade and health policy.

As chairman, Mr. Smith will lead a committee with broad power over economic policy and healthcare that is poised to receive an influx of new Republican members. He will help guide the party's oversight work as the Internal Revenue Service starts spending the $80 billion it received last year.

Mr. Smith beat out two more senior lawmakers—Rep. Vern Buchanan of Florida and Rep. Adrian Smith of Nebraska—on Monday in a vote of the House Republican steering committee, according to two people familiar with the vote. That leadership group guides committee assignments and is heavily influenced by House Speaker Kevin McCarthy (R., Calif.).

The choice must still be approved by the full Republican conference. The steering committee is also making selections in several other contested races for chairmanships. In another vote, Rep. Mark Green (R., Tenn.) won the gavel for the Homeland Security Committee, beating Rep. Dan Crenshaw (R., Texas). Rep. Virginia Foxx (R., N.C.) won the chairmanship of the Committee on Education and the Workforce.

Mr. Smith is now in line to succeed Kevin Brady of Texas, who had been the top Republican on Ways and Means since late 2015. Mr. Brady reached the House GOP's term limits atop committees and didn't seek re-election in 2022.

Mr. Smith, 42 years old, is a lawyer and former Missouri state representative who won his seat in Congress in 2013. His ascension to the top of Ways and Means is a fast rise for the House, where lawmakers often wait decades for such posts. He represents the rural southeastern corner of the state.

Mr. Smith had been the top Republican on the House Budget Committee, serving as a close ally of Mr. McCarthy and earning praise within the party for his responses to Democratic proposals.

> **Rep. Jason Smith was chosen to run the House Ways and Means Committee.**

In a statement Monday, Mr. Smith said he hoped to build on the 2017 tax law, conduct tough oversight over the IRS and boost domestic energy production.

"We have made a commitment to the American people to build a stronger economy that gives everyone—not just the wealthy and politically connected—greater opportunity to build a more prosperous future for themselves and their families," he said.

Mr. Smith may provide some departures from a more typical pro-corporate Republican approach to policy. In the statement, he questioned whether the U.S. should continue providing tax benefits to companies that "have shed their American identity in favor of a relationship with China."

It will be difficult for him to advance his legislative priorities this year in a divided government, as the Democratic-controlled Senate and White House disagree with him on most major issues.

But the bulk of the individual tax cuts enacted in 2017 are set to expire after 2025, creating a natural moment for significant legislation.

Lawmakers Vote to Repeal IRS Funding

By Richard Rubin

WASHINGTON—The new Republican-controlled House voted Monday to repeal tens of billions of dollars in Internal Revenue Service funding, advancing a bill that is unlikely to become law but that previews coming battles with Democrats over the tax agency's expansion.

The bill—the first legislation advanced by the Republican majority that took over the House last week—aims to erase a policy priority of the Democrats, who used their control of the government to enact it last year.

Democrats, who still hold the Senate and White House, vowed to block the legislation. Doing so would let the IRS keep the full $80 billion Congress gave the agency last year for a decadelong expansion focused on boosting tax enforcement.

But Republicans' emphasis on clawing back IRS funding marks it as a top concern and demand for the House majority, one that could re-emerge when lawmakers turn to raising the debt ceiling or passing spending bills later this year.

The bill, sponsored by Rep. Adrian Smith (R., Neb.), would rescind almost all of the $80 billion in IRS funding that Congress approved in August in the climate, health and tax law known as the Inflation Reduction Act. Mr. Smith's bill passed the House on a 221-210 vote along party lines.

The Congressional Budget Office estimated Monday that the bill would lower spending by over $71 billion and reduce revenue by nearly $186 billion, for a net increase in the budget deficit of about $114 billion over a decade.

Even if, as expected, the GOP bill doesn't become law, the IRS will be under the microscope during congressional hearings.

Congressional GOP Poised to Scrutinize DOJ Investigations

By C. Ryan Barber

WASHINGTON—House Republicans are preparing for an expansive investigation into federal law enforcement, setting the stage for standoffs with the Biden administration over access to information about some of the Justice Department's continuing criminal inquiries, including its scrutiny of GOP former President Donald Trump.

Days after ending a drawn-out speaker election, House lawmakers are expected to vote as soon as Tuesday on a resolution creating a panel within the Judiciary Committee focused on what Republicans have termed the "weaponization of the federal government." Rep. Jim Jordan, an Ohio Republican and close ally of Mr. Trump, is expected to lead the subcommittee while also serving as chair of the Judiciary Committee itself.

In anticipation of the House Republicans' investigations, the Justice Department in recent weeks has hired at least three former Democratic staff members from the House and Senate who have oversight experience.

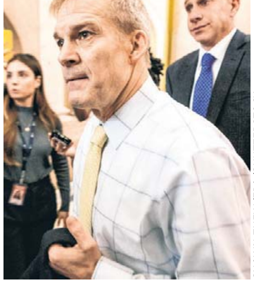
House Republicans have indicated that their planned investigation could examine investigations into Mr. Trump, who is facing a special counsel inquiry into his handling of classified documents and efforts to overturn his loss in the 2020 presidential election.

The text of the resolution appears to authorize the subcommittee to subpoena the Justice Department for information about the open tax investigation into President Biden's son, Hunter Biden, and perhaps other politically charged inquiries.

Speaker Kevin McCarthy (R., Calif.) previewed investigations in a victory speech early Saturday, after making concessions to a far-right bloc of his party that had opposed his leadership bid.

Mr. McCarthy signaled that the House would file subpoenas and wield its appropriations power as part of its investigations.

"Now speaking of committees, we will hold the swamp accountable, from the withdrawal of Afghanistan to the origins of Covid to the weaponization of the FBI," he said.


SHAWN THEW/EPA/SHUTTERSTOCK

Rep. Jim Jordan, an Ohio Republican, is expected to lead the Judiciary Committee panel.

"Let me be very clear: We will use the power of the purse and the power of subpoena to get the job done."

The text of the House resolution creating the committee calls for giving the panel sweeping authority to investigate how any part of the federal government collects and analyzes information about Americans, along with civil-rights issues and "ongoing criminal investigations."

Any pursuit of details about a current criminal investigation is likely to face stiff pushback from the Justice Department, which has customarily resisted making such information available to Congress. A spokeswoman for the Justice Department declined to comment.

Stanley Brand, who served from 1976 to 1983 as House general counsel, said House Republicans' investigations are almost certain to lead to clashes with the Justice Department and broader Biden administration.

The resolution would also grant the panel access to the same highly sensitive information that intelligence agencies make available to the House Permanent Select Committee on Intelligence, which traditionally includes lawmakers that congressional leaders consider particularly trustworthy.

"That's a quantum expansion of the people who are going to have access to that information," Mr. Brand said.

McDonald's Ex-CEO in Settlement

Continued from Page One

him, and then sued him upon learning that he lied about his behavior."

The SEC's action against Mr. Easterbrook highlights the agency's increased focus on executive pay and related disclosures to shareholders. The agency has ramped up efforts over the past year to recover executive pay in cases of alleged accounting violations, while pushing public companies to claw back executive incentive payments if significant financial errors are found.

The agency didn't impose a financial penalty on McDonald's, citing the company's cooperation during the investigation as well as remedial measures the company took, including clawing back compensation made to Mr. Easterbrook as part of his severance package.

Mr. Easterbrook's separation agreement, filed to the SEC in November 2019, said his termination was without cause, which allowed him to retain substantial stock-based compensation that otherwise would have been forfeited, according to the SEC. In doing so, McDonald's exercised discretion that wasn't disclosed to investors, the SEC said.

Mr. Easterbrook, 55 years old, served in various senior roles at McDonald's for more than a decade before taking over as CEO. He has been credited with helping turn around the company's performance by pushing franchisees to update their restaurants, overhauling menus and reducing costs, including through corporate staff cuts. The stock rebounded under his tenure.

Some employees said they grew uncomfortable with the corporate culture under Mr. Easterbrook, as he and other McDonald's executives socialized in and outside the company. After Mr. Easterbrook's ouster, incoming CEO Chris Kempczinski pledged to improve the environment.

In July 2020, an internal investigation by McDonald's revealed that Mr. Easterbrook had engaged in additional improper relationships with McDonald's employees and didn't disclose them to the company, according to the SEC.

The fast-food giant later that year sued Mr. Easterbrook, accusing him of lying to investigators to cover up relationships with employees and protect his multimillion-dollar severance package. Mr. Easterbrook's attorney said at the time that the former CEO abided by all the demands made in the original severance agreement, including refraining from working for a rival for two years.

In December 2021, Mr. Easterbrook agreed to return compensation to McDonald's that was valued at more than $105 million at the time to settle the lawsuit.

The SEC said Mr. Easterbrook knew, or should have known, that his failure to disclose those additional relationships before his ouster would have influenced McDonald's disclosures to investors about his departure and compensation.

The agency also said that Mr. Easterbrook exercised at least 193,000 company stock options from November 2019 to June 2020, and sold the resulting shares for net cash proceeds of around $9.4 million. Mr. Easterbrook also received a performance payment of restricted stock units valued at around $7 million after taxes, according to the agency. The SEC said that Mr. Easterbrook violated several agency rules, including those banning the purchase or sale of securities through any fraudulent business practices.

"By allegedly concealing the extent of his misconduct during the company's internal investigation, Easterbrook broke that trust with—and ultimately misled—shareholders," said Gurbir Grewal, director of the SEC's Division of Enforcement.

The SEC has been intensifying efforts to recoup pay from senior executives whose companies allegedly break financial-reporting rules, suing or settling with several executives over the past year. The agency approved in October 2022 a new rule that requires exchange-listed companies to have policies for taking back top executives' incentive pay if significant errors in financial statements are found, even in cases where no misconduct occurred.

The SEC has in recent years handed down more five-year bars against people to serve as officers or directors of a public company through negotiated settlements, said Stephen J. Crimmins, a partner at Davis Wright Tremaine LLP.

Mr. Easterbrook is barred from serving as a public company officer or director for five years from the date of the Jan. 9 settlement, according to the agency's order.

The five-member commission voted 3-2 to authorize the settlement with McDonald's. Two Republican commissioners, Hester Peirce and Mark Uyeda, voted against the McDonald's case, arguing that SEC rules don't require public companies to disclose the specific reasons for an executive's firing or separation from the firm.

—Will Feuer contributed to this article.

U.S. NEWS

Moderna Eyes Range for Covid Shot Pricing

By Peter Loftus

Moderna Inc. said it is considering pricing its Covid-19 vaccine in a range of $110 to $130 per dose in the U.S. when it shifts from government contracting to commercial distribution of the shots.

The range is similar to the one **Pfizer** Inc. said in October it was considering for the Covid-19 vaccine it developed with **BioNTech** SE.

"I would think this type of pricing is consistent with the value" provided by the vaccine, Moderna Chief Executive Stéphane Bancel said in an interview Monday on the sidelines of the J.P. Morgan Healthcare Conference in San Francisco.

The expected price for commercial insurers would be significantly higher than the per-dose cost in Moderna's supply contracts with the federal government. Moderna's updated booster shots cost about $26 per dose in a federal supply contract signed in July 2022. The original vaccine cost about $15 to $16 per dose in earlier supply contracts.

To date, the federal government has purchased all doses of Covid-19 vaccines and made them available at no cost to consumers. U.S. officials have said that after the supply secured under federal contracts runs out, companies should switch to standard commercial distribution.

Moderna is in discussions with hospital systems, pharmacies and pharmacy-benefit managers to line up distribution of its vaccine ahead of a potential fall booster shot campaign, Mr. Bancel said.

Even at higher per-dose pricing, sales of Moderna's Covid-19 vaccine are expected to decline. The Cambridge, Mass., company said Monday it expects minimum Covid-19 vaccine sales of about $5 billion for 2023, with the potential for more. For full-year 2022, it recorded about $18.4 billion in Covid-19 vaccine sales.

The company is increasing its focus on potential new products, such as a vaccine for respiratory syncytial virus, or RSV. Moderna expects to report results from a large study for its RSV vaccine soon, Mr. Bancel said.

Georgia Seen Unlikely to Eliminate Runoff Voting

By Cameron McWhirter

CHENEY ORR/REUTERS

A Georgia voter cast a ballot during early voting in a runoff election for U.S. Senate on Nov. 28.

ATLANTA—Several groups across the political spectrum have pressed the Georgia Legislature to consider eliminating the state's general-election runoffs, after second rounds of voting in three Senate races that critics say were costly for local governments and exhausting for voters in recent years.

Leaders in the GOP-dominated statehouse say they have little interest in significant changes—for now.

The new legislative session, which began Monday, is more likely to focus on smaller moves, such as allowing local municipalities the option to conduct what is known as instant-runoff voting, whereby voters pick their first choice on a ballot and then alternative candidates if their first choice doesn't win. Such ranked-choice voting exists in various forms in some other states. A bill introduced by a Republican representative last session didn't get to a floor vote.

Legislation regarding the elimination of runoffs statewide might be considered, but passage this session appears unlikely, a top Georgia lawmaker said. "There is not a clear direction of where to go with this," said Steve Gooch, a Republican and the majority leader in the state Senate. "We have concerns about making any major changes."

Mr. Gooch, who said he is neutral on such proposals, said runoffs are valuable because they give voters more time for vetting candidates than just in a general election.

Under Georgia law, candidates must secure more than 50% of the vote to win. If no candidate reaches that threshold, the two top vote-getters must face each other in a runoff. Several states have runoffs in party primaries, but Georgia's general-election runoff is rare.

Georgia's runoff rules have come under scrutiny in recent years. The Democratic Party's resurgence in a state long dominated by the Republican Party has led to tighter state contests. The close races have led to several runoffs, after Democrats and Republicans fell short of the 50% mark.

In 2020, incumbent Republican Sens. Kelly Loeffler and David Perdue were forced into runoff elections against Democrats Raphael Warnock and Jon Ossoff, respectively. Messrs. Warnock and Ossoff won those contests in January 2021, and those wins gave Democrats slim control of the Senate. In November 2022, Mr. Warnock, running to secure a full six-year Senate term, was forced into a runoff against Republican Hershel Walker because of a Libertarian Party candidate on the ballot. In December 2022, Mr. Warnock won the runoff.

Eternal Vigilance Action Inc., a conservative nonprofit that backs instant runoffs in Georgia, has hired lobbyists to advocate for them as a viable option, said Scot Turner, the group's founder and a former Republican state representative. An argument against general-election runoffs is cost, because they require more money to be diverted from government operations.

Jury Finishes Work On Trump Probe

The special grand jury investigating former President Donald Trump's efforts to overturn the 2020 election in Georgia has completed its work, and a court will soon decide whether to publicly release the panel's findings.

The development, announced in a court order on Monday, marks a milestone in an investigation that could lead to criminal charges against Mr. Trump and his allies. The special grand jury, assembled at the request of Fulton County District Attorney Fani Willis, lacks the power to issue criminal indictments. But it can issue a report recommending criminal charges. If it has done so, Ms. Willis can go to a regularly empaneled grand jury to seek indictments.

Ms. Willis, a Democrat, opened a probe into efforts to influence the results. Among other matters, she investigated phone calls Mr. Trump and his allies made to Georgia Secretary of State Brad Raffensperger, a Republican, after the election. Mr. Trump has denounced the probe as a "witch hunt" and has said his call to Mr. Raffensperger was "perfect."

—*Jan Wolfe*

U.S. WATCH

TEXAS

Sutherland Springs Verdict Is Appealed

The U.S. is fighting a court finding that it was largely responsible for a 2017 mass shooting at a church in Sutherland Springs, Texas.

A judge in 2021 found that the U.S. Air Force was mostly responsible for the rampage, which killed 26 people and injured 22. Air Force officials failed to add the shooter, a former airman who had been convicted of domestic assault, to a federal database that would have barred him from legally buying the gun he used in the attack.

The Justice Department, acting on behalf of the Air Force, filed an appeal of the verdict Monday, arguing that the mistake doesn't make the U.S. liable for the attack.

A federal judge last year awarded just over $230 million to some 80 survivors and family members of Sutherland Springs shooting victims.

The federal government's appeal of the verdict follows months of mediation attempting to alter the court's judgment, the Justice Department said.

Jamal Alsaffar, an attorney representing the victims and their families, called the decision to appeal a blow to safety and an argument by the government that background checks don't prevent gun violence.

—*Elizabeth Findell*

CALIFORNIA

Weinstein Sex Assault Sentencing Delayed

Disgraced film producer Harvey Weinstein will wait several more weeks to hear of his sentencing in a case that found him guilty of three counts of sexual assault and related crimes.

The sentencing was rescheduled for Feb. 23, at which point Mr. Weinstein's attorneys will also present a motion for a new trial. The judge presiding over the trial indicated Monday that sentencing would be issued that day if that motion is denied.

Mr. Weinstein was convicted of forcible oral copulation, sexual penetration with a foreign object and rape. —*Erich Schwartzel*

WORLD NEWS

Americas Summit Has a Broad Agenda

Biden, López Obrador discuss immigration, supply chains before Trudeau joins talks

By Tarini Parti And Anthony Harrup

MEXICO CITY—President Biden focused on immigration, security and supply-chain problems when he met with his Mexican counterpart on Monday for the North American Leaders' Summit—issues on which the two countries have had some differing views.

He and Mexican President Andrés Manuel López Obrador were joined by Canadian Prime Minister Justin Trudeau for dinner Monday night, before all three meet on Tuesday. The countries have been working through trade disputes over implementation of the U.S.-Mexico-Canada Agreement.

Calling Mr. Biden a visionary and humanistic president, Mr. López Obrador urged the U.S. to make more investments in the region and consolidate their economic agenda to strengthen supply-chain resilience.

"I look forward to building that better future," Mr. Biden said, adding that the U.S. has been spending significantly in the region for the past 15 years.

Messrs. Biden and López Obrador, who have met twice at the White House, also discussed ways to work together to tackle the surge in illegal border crossings facing both nations, officials from both countries said.

Ahead of the meeting in Mexico City, the Biden administration introduced new steps to deter migrants seeking asylum at the southern border by expanding its use of several Trump-era border-control measures, which in part rely on Mexico to take back 30,000 migrants a month from Cuba, Haiti, Nicaragua and Venezuela.

On his way to Mexico, Mr. Biden made a stop in El Paso, Texas, on Sunday, his first trip to the southern border as president. He assessed enforcement operations at the Bridge of the Americas Port of Entry and visited the El Paso County migrant-services center.

The administration has faced bipartisan criticism for its handling of the border for the past two years. The U.S. Border Patrol made a record 2.2 million arrests in the year that ended in September of people caught crossing the southern border illegally, according to data released by U.S. Customs and Border Protection.

Over the past year, migrants from Cuba, Nicaragua and Venezuela have made up a majority of those allowed to remain in the U.S. to seek asylum. They have posed a particular challenge for the U.S. government because the governments of Cuba, Nicaragua and Venezuela have largely refused to take back their own citizens. Mexico had also previously refused to take back migrants of those nationalities.

HECTOR VIVAS/GETTY IMAGES

Mexican President Andrés Manuel López Obrador greeted President Biden on Monday.

Mr. López Obrador, in his morning news conference, welcomed the U.S. decision to increase the number of work visas for people from those countries, saying it would reduce the number of migrants making the risky trek across Mexico. "We're certain it works," he said.

Foreign Minister Marcelo Ebrard defended Mexico's decision to take in migrants turned back at the U.S. border.

"What option does Mexico have? They return them from the bridge and are we going to deport them? Of course not," he said. "What do you do with those people? You offer them refuge, you offer them work."

Jake Sullivan, Mr. Biden's national-security adviser, on Monday said he wasn't expecting a new number to be announced during the summit, adding that the two countries would monitor how the new program worked and see if any adjustments needed to be made.

Improving cooperation to confront the threat of fentanyl, much of which is produced by Mexican cartels and then smuggled into the U.S., was also expected to be a priority topic at the meeting, officials said. There were more than 107,000 drug-overdose deaths in the U.S. in 2021, largely fueled by fentanyl.

Days before Mr. Biden's trip, Mexico's military captured Ovidio Guzmán, the son of former kingpin Joaquín "El Chapo" Guzmán. The U.S. has requested the extradition of the younger Mr. Guzmán, who was indicted in 2018 in Washington on charges of smuggling methamphetamine, cocaine and marijuana.

Mr. López Obrador said Mr. Guzmán's capture wasn't related to Mr. Biden's visit. "There is cooperation, and it will continue, but we take our decisions as a sovereign, independent government," he said on Friday.

A senior U.S. official said the U.S. would strive to work effectively with Mexico on the fentanyl issue and increase law-enforcement cooperation, which was strained by the arrest of former Mexican Defense Minister Gen. Salvador Cienfuegos in 2020. Gen. Cienfuegos was quickly released by then-U.S. Attorney General William Barr after Mexico threatened to withhold law-enforcement cooperation.

Mr. López Obrador has sought to strengthen the dominant role of Mexico's state oil company and the public power utility at the expense of private and foreign investors. Mexican authorities are in consultations with the U.S. in an effort to avoid a USMCA dispute panel over energy policy, which the U.S. Trade Representative's office says put billions of dollars in U.S. investments at risk. Canada has also joined in the complaint.

Mr. Trudeau, meanwhile, will pitch Canada as a place for investments in the electric-vehicle supply chain, a person who is close to his office said.

OSWALDO FORTE/FOTOARENA/ZUMA PRESS

Brazilian military police arrested protesters in Belem on Monday, a day after supporters of former leader Jair Bolsonaro rioted in Brasília.

Brazil Detains 1,500

Continued from Page One

sília and who might have supported them.

"We will not allow democracy to slip out of our hands," Mr. da Silva said Monday night in a televised meeting with state governors. "In the name of defending democracy, we will not act in an authoritarian way with anyone, but we also will not go lightly on them. We will investigate and find out who financed it."

Mr. da Silva, who the night of the rioting toured the presidential palace and walked amid broken glass and furniture, had laid the blame on Mr. Bolsonaro. "He didn't just provoke this or encourage this—he's still encouraging this via social media," Mr. da Silva had said Sunday.

Initially overwhelmed by the mobs, Brazil's security forces fought to restore order on Monday, detaining some 1,500 supporters of Mr. Bolsonaro. Mr. da Silva accused local police in the capital of being complicit in the insurrection. Many of the rioters had marched for more than an hour to get to the presidential palace.

Party leaders on both sides of the political divide called for investigators to hunt down those who were said to have paid for a convoy of some 40 buses to bring protesters to the capital Sunday.

Sunday's attack was one of the biggest on government buildings since the fall of the country's military dictatorship in 1985 under which Mr. Bolsonaro served. It comes after the closest presidential election in Brazil's history, which was marred by acts of violence on the left and the right.

Riot police had forced protesters back into the streets of Brasília by nightfall Sunday. Small groups of supporters of Mr. Bolsonaro temporarily blocked highways in São Paulo early Monday, setting fire to litter and tires before police arrived.

"I am here to fight for our freedom," said Antônio Gontijo, a 66-year-old retired mechanic who said businessmen in his town had helped pay for him to make the 10-hour trip by bus to Brasília from Minas Gerais state.

As with many supporters of Mr. Bolsonaro, he said that he feared for Brazil's economy under Mr. da Silva's Workers' Party, which oversaw the country's worst recession on record in 2015 and 2016 and a vast corruption scandal at oil company Petróleo Brasileiro SA, known as Petrobras.

Imprisoned in April 2018 on charges of corruption and money laundering as part of the sweeping Car Wash cash-for-contracts scandal, Mr. da Silva was freed 19 months later on a Supreme Court ruling. He denies wrongdoing, saying he was a victim of a political witch hunt by the right.

Brazil's new justice minister, Flávio Dino, said late Sunday that investigators had identified the people who paid for the buses to bring Mr. Bolsonaro's supporters to Brasília for the attacks. He said they were in the process of being arrested, without naming them.

Mr. Dino also opened a public hotline Monday for any information on the protests, which he described as "terrorist attacks."

In the lead-up to Brazil's presidential election, the Supreme Court had begun investigating a handful of wealthy businessmen and accused them of discussing a possible power grab in the event that Mr. Bolsonaro lost.

Authorities planned to arrest those who allegedly paid for the protesters' buses.

In an order issued early Monday, Supreme Court Justice Alexandre de Moraes told the military police to clear camps of Bolsonaro supporters outside army headquarters in Brasília and across the country. He also demanded that Ibaneis Rocha, Brasília's governor and an ally of Mr. Bolsonaro, be removed from his post for the next three months. Mr. Moraes said that the attacks "could only have occurred with the consent, and even active participation, of the competent authorities for public security and intelligence."

Before the court order, Mr. Rocha said on Twitter he had done everything possible to contain the attacks.

In October's presidential election, Mr. da Silva won with 51% of the vote. Mr. Bolsonaro has yet to publicly concede that he lost the election, although he condemned any attacks on government buildings late Sunday.

Military police mounted on horseback surrounded camps of protesters Monday outside the capital's army headquarters where Bolsonaro supporters have been camped since the election, which many of them say was stolen from the right-wing leader and former army captain.

Mr. da Silva has decreed a state of federal intervention in Brasília, an emergency measure through which the federal government temporarily replaces state authorities in charge of public security.

Bolsonaro supporters have often accused the country's highest justices of overstepping their role to support Mr. da Silva's Workers' Party, which nominated many of their members.

Brazil's 11 Supreme Court justices, who are appointed for life, are authorized to act on constitutional issues, but given that the Latin American nation has one of the lengthiest constitutions in the world, they have the power to decide on a variety of issues. Under Mr. Bolsonaro's government, the Supreme Court had taken an active role in countering what it says are his antidemocratic stances.

—Patricia Kowsmann in Belo Horizonte, Brazil, Jeffrey T. Lewis in São Paulo, Brazil, and Deborah Acosta in Orlando, Fla., contributed to this article.

Watch a Video

Scan this code to watch a video on the developments in Brazil.

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Former President Bolsonaro Accused Of Agitating Rioters

By Ryan Dube And Deborah Acosta

Brazil's President Luiz Inácio Lula da Silva laid much of the blame for the rioting that ransacked government buildings on his predecessor, Jair Bolsonaro, a right-wing populist who has recently been seen thousands of miles away in Florida munching on fried chicken.

"There are several speeches by the former president encouraging this," Mr. da Silva said in a Sunday night television address. "This is also his responsibility and of those who support him. All of this will be investigated very strongly and quickly."

A day after a mob attacked the presidential palace, Supreme Court and Congress, Mr. Bolsonaro is facing growing pressure at home and abroad by people who accuse him of inflaming his most determined supporters after narrowly losing to Mr. da Silva in last year's election, the most polarizing vote since Brazil's return to democracy in the 1980s.

Mr. Bolsonaro condemned the riots on Twitter as Brazilian authorities on Monday arrested hundreds of people and officials opened investigations into the attack, pledging to find out who may have financed it. The former president repudiated Mr. da Silva's accusations, saying he has adhered to the constitution.

Mr. Bolsonaro's spokespeople didn't respond to requests for comment.

The one-term president didn't concede to Mr. da Silva after months of alleging that fraud would take place in the October vote, without providing evidence that it would happen. After the country's Electoral Court certified Mr. da Silva's election victory, Mr. Bolsonaro's supporters in December reacted violently. They torched buses and clashed with police in Brasília as they tried to take over the Federal Police headquarters.

And in a teary speech made at the end of December before flying to Florida, Mr. Bolsonaro called the vote unfair and urged his supporters not to "throw in the towel." His absence meant Mr. de Silva's predecessor didn't put the presidential sash over his shoulder at the Jan. 1 swearing in, as is customary when a new leader takes the oath of office.

Mr. Bolsonaro has long been concerned about facing criminal charges in Brazil if he lost the election, according to one high-ranking official in the former president's administration.

Once in Florida, the former president was photographed eating at a KFC in the Orlando area, where workers said he was accompanied by two bodyguards. He also shopped at Publix and hung out with a mixed-martial-arts instructor, José Aldo—with images uploaded to social media. Photographs and video showed Mr. Bolsonaro arriving at Mr. Aldo's home, located inside a gated community. He was accompanied by other men carrying what appeared to be luggage.

Then on Monday, as Brazilian authorities were making arrests in Brasília and cleaning up the mess in government buildings, Mr. Bolsonaro was hospitalized in the greater Orlando area for abdominal pains tied to a knife attack he suffered in 2018 when he first campaigned for office, his wife, Michelle Bolsonaro, said on Instagram.

U.S. national security adviser Jake Sullivan said the White House isn't in direct contact with Mr. Bolsonaro. Mr. Sullivan said the Biden administration hasn't had any official requests from the Brazilian government to return Mr. Bolsonaro to Brazil.

"If and when we do, we'll deal with it," Mr. Sullivan said. "And then if and when we have any information to provide, we will do it."

—Patricia Garip and Annie Linskey contributed to this article.

JAIR BOLSONARO VIA AFP/GETTY IMAGES

A photo posted on Jair Bolsonaro's Twitter account shows him on a hospital bed in Kissimmee, Fla., on Monday.

Ukraine Holds Front-Line City, Zelensky Says

By Jared Malsin And Evan Gershkovich

MYKOLA TYMCHENKO/EPA/SHUTTERSTOCK

Ukrainian troops distribute aid to locals in the eastern Ukrainian city of Bakhmut, where fighting has been raging for months.

Russian forces launched an intense new assault near the city of Bakhmut on Monday, while Ukrainian soldiers resisted a six-month assault on the area, cementing it as a key symbolic prize in the war.

"Bakhmut is holding out against all odds. And although most of the city is destroyed by Russian strikes, our warriors repel constant attempts at Russian offensive there," Ukrainian President Volodymyr Zelensky said Sunday.

Ukraine's deputy defense minister, Hanna Malyar, said fierce fighting for the nearby city of Soledar was continuing into Monday evening.

"After an unsuccessful attempt to capture Soledar and retreat, the enemy regrouped, recovered losses, transferred additional assault units, changed tactics and launched a powerful assault," she wrote on Telegram.

Bakhmut has been the scene of brutal fighting since Russian soldiers arrived on its outskirts in early July, hoping to seize control and open a path to the political and economic centers of Slovyansk and Kramatorsk in the Ukrainian-held parts of the Donbas area, once one of the country's main industrial regions.

Daily Russian bombardment has turned the once-elegant city center into a succession of obliterated facades, with debris strewn on the streets and freshly dug trenches and antitank barriers. Russian forces have refocused their firepower on the city in recent months after Ukrainian troops recaptured swaths of the country that had been occupied by Russia following its February invasion.

The Bakhmut area has become the conflict's central battlefield since Russian troops were forced to withdraw from the southern city of Kherson, the only regional capital they seized in the current invasion, in November. As winter has set in, the front lines of the conflict have remained largely static, with the fighting escalating in Bakhmut as Russia sends new waves of fighters to the front line.

The Ukrainian president's comments came days after Russian military bloggers reported that Russian forces broke through in the nearby city of Soledar, which could allow them to encircle Bakhmut.

The Ukrainian Armed Forces General Staff said Monday that Russian forces attempted offensives on Bakhmut and two other fronts in the eastern Donetsk region, Avdiivka and Lyman. In its own operational update, Russia's Defense Ministry said Monday that its forces were continuing offensive operations across the Donetsk region.

Echoing comments by other Ukrainian officials, Mr. Zelensky reiterated that Soledar remained under Ukrainian control.

Ukrainian national police said on its social-media pages Monday that two British volunteers ages 24 and 48 had gone missing over the weekend after they headed for Soledar from Kramatorsk. Officers were searching for the volunteers, Andrew Bagshaw and Christopher Perry, police said in the posts, which included a photo of a van with a drawing of a red cross on its windshield and the word "Evacuation" written in Ukrainian on its hood.

The attack on Bakhmut is led by the Wagner Group, a paramilitary organization with links to the Kremlin, which has sent waves of newly recruited soldiers to the front lines in the city. Over the weekend, representatives of Yevgeny Prigozhin, the oligarch who leads the organization, said Bakhmut and Soledar are a focus of its military activities due in part to a system of underground mines under the towns.

Russian-installed officials in the Donetsk region claimed Monday that Russian forces captured Bakhmutske, a village south of Soledar. In late December, Russian military bloggers said troops with Wagner pushed out much of Ukraine's defenders from the village.

Separately, Russian forces launched a missile attack Monday morning that killed two women when it hit a market in the town of Shevchenkove in the Kharkiv region in northeastern Ukraine, Ukrainian officials said. Seven people were injured, officials said.

Among the injured were three women and a 10-year-old girl, said the Kharkiv regional prosecutor's office, which sent war-crimes investigators to the scene to collect evidence.

Russian officials didn't comment on the strike, but Russia's Defense Ministry said its forces were fighting across the Kharkiv region.

The Ukrainian General Staff also said Monday that Russia is transferring a "significant amount of weapons and military equipment" to Belarus, but that the equipment was "removed from a long-term storage and requires maintenance."

Belarus has been Russia's closest ally in the assault on Ukraine. Ukrainian officials have warned that Russia could push Belarus to take a more active role in the war.

U.S. and Ukrainian officials also have said that Russia's forces have depleted a large part of their stocks of weapons, ammunition, and other military equipment over nearly a year of full-scale war. Russia has been drawing military supplies from the far reaches of the country and accepting weapons from allies such as Iran, U.S. and Ukrainian officials say.

U.K. in Talks to Send Heavy Tanks

LONDON—The British government is in talks to send Challenger 2 tanks to Ukraine to help roll back Russia's territorial gains. Officials in Poland, Finland and other European nations also are considering supplying tanks.

The British Challenger 2 tanks are the kind of powerful, heavily armored tracked vehicles that Kyiv has requested.

The tanks are decades old, require extensive training to operate, and aren't expected, by themselves, to change the trajectory of the war. British officials said they could create political room for Berlin to approve the provision of its own, German-made Leopard main battle tanks, a shift that could lend momentum to Kyiv.

So far, no North Atlantic Treaty Organization member has given Ukraine Western-type main-battle tanks.

—Max Colchester

West Struggles to Deploy Defense Against Drones for Kyiv

By Daniella Cheslow

WASHINGTON—More than three months after Russia started using large numbers of Iranian-made drones against Ukraine, the U.S. is struggling to supply effective systems that can meet the threat, Western officials and analysts said.

The Pentagon first said it would provide a counterdrone system called Vampire in August, but approved the $40 million contract for the weapons only in mid-December, the company that makes them said. The delivery of the first four systems won't take place until mid-2023, with 10 more arriving by the end of the year.

The Pentagon hasn't said why it took several months from the initial announcement to issue a contract for the counterdrone technology. The company behind the Vampire said it was just a matter of paperwork.

"It was just a process to get to the right contract vehicle and the right mechanism in order to get us turned on," said Luke Savoie, president of the intelligence, surveillance and reconnaissance business at **L3Harris Technologies** Inc.

The contract underscores the challenging effort among the U.S. and allies to help Kyiv counter the threat posed by the large, slow and cheap Iranian Shahed-136 drone that Russia has deployed to attack Ukrainian cities and electricity infrastructure. It also highlights, however, the difficulty of deploying the systems quickly and in enough numbers to mount an effective defense.

"I think Ukraine needs a lot of these systems distributed very widely across the entire depth of the front," said Sam Bendett, a drone expert at the Center for Naval Analyses, a federally funded research organization in Arlington, Va. "It would need hundreds of these systems around large cities, around large military facilities, around military bases, in main infrastructure facilities and the like."

The Vampire, an acronym for Vehicle-Agnostic Modular Palletized ISR Rocket Equipment, uses high-definition sensors to track threats—including drones—then intercepts them with laser-guided munitions. The system is designed to fit in the bed of a commercial pickup, L3Harris said.

While Ukrainian forces have had some success shooting down suicide drones or loitering munitions, no system provides comprehensive defense. Ukrainian President Volodymyr Zelensky singled out the drones in his December speech to Congress, saying, "Iranian deadly drones, sent to Russia in hundreds, became a threat to our critical infrastructure."

Russia began deploying Iran's Shahed-136 en masse in September. At first, Russia aimed the drones at military positions, before it began to target power plants and civilian buildings.

Ukraine is awaiting four systems approved by the Pentagon.

Ukrainian troops have shot down the majority of the drones fired by Russia using a mix of surface-to-air missiles, air-to-air missiles, antiaircraft guns and man-portable air-defense systems known as manpads, said Royal United Services Institute, a think tank in London.

This month, Ukrainian officials said they shot down drones using NASAMS, a U.S.-provided surface-to-air missile-defense system. However, air defense remains a patchwork.

The Shahed, which is made from mostly commercial parts, including from the West, is so noisy it earned the nickname "the flying moped," said Mr. Bendett, the drone expert. It can be preprogrammed with GPS coordinates to hit a target without communicating with an operator.

"Shahed lowered the threshold to developing and constructing a fairly effective, very cheap and expendable loitering munition," Mr. Bendett said. "If the cost of attack is going to be less than the cost of defense, then the strain is going to be on the defender."

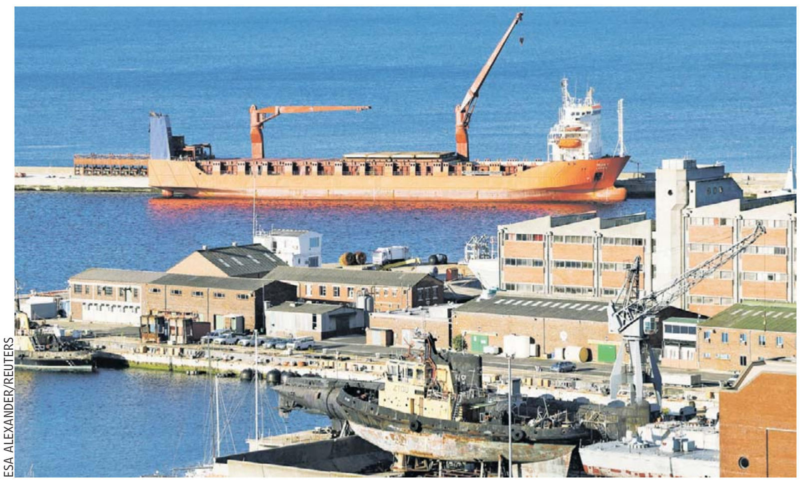
At a counterdrone conference in December, Richard Ast, director of unmanned systems technology in the Pentagon's research-and-engineering directorate, said his office was looking at industry to help come up with solutions. In particular, he pointed to the threat of autonomous drones fired in large numbers. "The key word is degrade," Mr. Ast said. "I know I'm not going to be able to defeat them wholeheartedly."

U.S. and NATO officials declined to provide details on what other types of counterdrone systems it is seeking to provide to Ukraine.

As the Russian invasion nears its first anniversary, private companies say they are factoring the Iranian drones into their planning.

Russian Ship Activity Raises U.S. Suspicions

By Gabriele Steinhauser And Benoit Faucon



ESA ALEXANDER/REUTERS

Witnesses said unidentified cargo was taken off and on the Russian-owned Lady R in South Africa.

JOHANNESBURG—A Russian merchant ship whose owner has allegedly carried weapons for the Kremlin turned off its transponder last month before surreptitiously docking at South Africa's largest naval base, where it delivered and loaded unidentified cargoes, according to witnesses and a senior U.S. official.

South Africa has declined to say what the ship was carrying or what was loaded onto it at the Simon's Town navy base. The country's defense minister shrugged off U.S. concerns, saying Washington "threatens Africa, not just South Africa, of having anything that is even smelling of Russia."

The visit by the ship, the Lady R, owned by Russian shipping company MG-FLOT LLC, has strained relations between Washington and Pretoria. It also demonstrates the difficulty for the U.S. and its allies of enforcing sanctions against Moscow.

MG-FLOT didn't respond to emails sent to addresses listed online seeking comment. The Russian Embassy in Pretoria and the Kremlin also didn't respond to requests to comment.

A senior U.S. official said Washington was concerned by the support the South African armed forces provided to the Lady R, including allowing it to enter and move cargo at a naval base while its automatic identification system was off.

For two nights, during which Simon's Town was plunged into darkness by nationwide power cuts, a crane moved crates off and onto the 122-meter-long vessel under the watch of armed guards, according to witnesses and photos viewed by The Wall Street Journal.

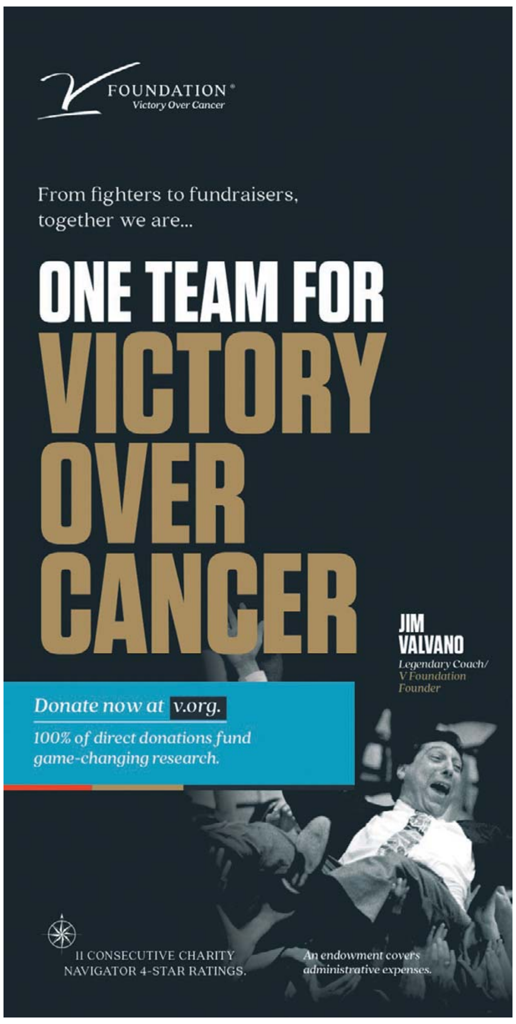
The Lady R left Simon's Town the morning of Dec. 9. When the ship started transmitting a position again that evening, it was anchored more than 100 miles east of Simon's Town, tracking services showed.

Since mid-December, the vessel has been anchored off the coast of Mozambique, where it pulled into the port of Beira over the weekend, according to ship-tracking services, which give its destination as Istanbul. From Istanbul, it is a relatively short trip to Russian Black Sea ports.

Kobus Marais, a lawmaker and defense spokesman for South Africa's opposition Democratic Alliance, said he was told that the Lady R delivered ammunition from Russia, although that would normally be imported through commercial ports, he said.

In November, when the U.S. learned that the Lady R was headed toward South Africa, the U.S. Embassy alerted Pretoria about the sanctions, the senior U.S. official said. The embassy got no response, the official said. Under U.S. law, Washington can sanction any entity, person or country that provides services to a sanctioned vessel.

Vessel-tracking services indicate the Lady R turned off its automatic transponders. Two South African navy tugboats helped it to a berth at the Simon's Town base near Cape Town, witnesses said. They said they saw trucks with escort vehicles carrying shipping containers onto the base at night.



WORLD NEWS

China's Moves Baffle Businesses

Sudden zero-Covid reversal shows risks of trying to predict where Beijing is going

By Chun Han Wong And Liza Lin

HECTOR RETAMAL/AGENCE FRANCE-PRESSE/GETTY IMAGES

People visit Yu Garden ahead of the Lunar New Year of the Rabbit in Shanghai. China recently lifted strict Covid-19 protocols.

For most of the past two years, foreign officials and business executives grappled with Chinese leader Xi Jinping's unflinching insistence on a zero-tolerance approach to Covid-19. Now they are struggling to make sense of Beijing's decision to scrap those pandemic controls virtually without warning.

The whiplash from China's about-face on its zero-Covid strategy exemplifies the uncertainties that businesses, foreign governments and academics face in dealing with a black-box political system that has become increasingly impenetrable as Mr. Xi has accumulated more power.

For most of the past year, executives, investors and diplomats chased clues and traded rumors on when the Communist Party might unwind its zero-Covid program of strict lockdowns and mass testing, which have disrupted commerce and upended business planning since early 2020. When Beijing rushed to lift pandemic protocols, following a raft of worrying signs for the economy and mass protests against zero-Covid in late November, the seemingly haphazard change surprised many companies that expected a gradual transition.

"The business community is shocked by the sudden capitulation," said Jörg Wuttke, the president of the European Union Chamber of Commerce in China. Many foreign companies have struggled with staffing shortages and operational disruptions amid surging cases, as workers across their supply chains called in sick, he said.

"We see that a more politicized environment makes figuring out what decision makers are about to do very difficult," Mr. Wuttke said.

For decades, scholars, diplomats, and business executives have sought clues on the Communist Party's inner workings by poring over government documents, state-media reports and imagery of officials' public appearances.

Since taking power in 2012, Mr. Xi has reshaped the structures of power around himself in ways that have made the tea leaves increasingly difficult to parse. That process accelerated over the past year as the Chinese leader worked to stack the leadership with his allies and took a norm-breaking third term as general secretary.

In pushing for autocratic control, Mr. Xi has eviscerated longstanding party practices in personnel appointments, favored political loyalty and stifled policy debate. His focus on national security led officials to become increasingly secretive and cut off access to data that outside analysts used for mining insights into the world's second-largest economy.

China's Covid-related border controls have exacerbated the problem by reducing face-to-face meetings between Chinese officials, executives and academics and their Western counterparts over the past three years, one senior Western business lobbyist said. "There's a lack of empathy between the two sides."

Confronted with such opacity, many U.S. and European businesses have become increasingly tentative about China and refrained from major investments in the country, preferring to take a wait-and-see approach, said Western executives, industry groups and lobbyists.

In a 2022 survey by the U.S.-China Business Council of its members, 83% of respondents said they were less optimistic about the business climate in China compared with three years earlier. "The most-reported impact is a perception of increased political risk from doing business in China," the council said, citing members' concerns about how Chinese policy makers balance between political objectives and economic pragmatism.

China's zero-Covid policies have dragged down revenues for companies from Starbucks to Estée Lauder, and complicated investment plans. Apple Inc. has accelerated plans to shift some of its production away from China to other Asian countries, The Wall Street Journal reported in December.

Chinese officials have accused foreign media and analysts of misunderstanding their country. Fang Xinghai, a vice chairman of China's securities regulator, told financial executives in November: "I would advise the international investors to find out what's really going on in China and what's the real intention of our government by themselves."

◆ Heard on the Street: Don't count out Belt and Road.... B12

Signs Tech Clampdown Is Near End

Continued from Page One

in Hong Kong on Monday. Shares of Alibaba, China's biggest e-commerce provider, jumped 8.7%, extending their gains since October to about 80%. Still, the shares are trading at about a third of their record value attained just before Ant's canceled IPO, when Alibaba's market capitalization had neared $900 billion.

In New York trading, Alibaba's American depositary receipts rose 3.2%, while Meituan and Didi ended lower.

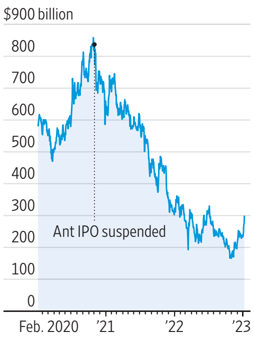
Over the weekend, financial-technology giant Ant Group Co. said Chinese billionaire Jack Ma would cede control of the company. Ant, which is one-third owned by Alibaba and operates the popular mobile-payments platform Alipay, has been overhauling its operations since Chinese regulators forced it to scrap a blockbuster initial public offering in November 2020.

Mr. Guo, whose commission supervises China's banking and insurance activities, said the aim is for regulators to "encourage platform enterprises to operate in compliance with regulations and play a major role in leading development, creating employment, and international competition."

He is the highest-ranking Chinese official of late to make public comments that the government might be ending its regulatory clampdown on the tech sector.

Regulators began to soften their tone starting in early 2022, as Beijing-led policies

Alibaba's market capitalization



Source: FactSet

including its zero tolerance for Covid-19 and its efforts to rein in its internet firms weighed on China's economic growth and worsened a selloff in Chinese stocks.

In March, China's economic czar, Liu He, said during a meeting with other policy makers that regulations should be enforced in a transparent and predictable manner, specifying that any policy that could affect the market should be coordinated with financial regulators first.

Last month, in an internal meeting shortly after the Communist Party Congress, the head of China's top economic-planning body, the National Development and Reform Commission, also called for government policies to focus on boosting growth, including instilling private-sector confidence in the real-estate sector.

In recent weeks, government officials have begun to review policies for the technology and education sectors and are preparing to wrap up investigations against its internet companies, people familiar with the matter said.

Mr. Guo's comments come after authorities relaxed rules in late December to allow domestic gaming companies to bring in imported videogame titles. That follows changes from April, when China's videogame regulator resumed granting publishing licenses for domestic gaming titles after a monthslong freeze.

On Dec. 30, China's securities regulator said two Nasdaq-listed online brokers had run afoul of domestic laws by allowing mainland-based customers to trade in stocks listed on foreign exchanges. That sparked a selloff in the American depositary receipts of the companies, Up Fintech Holding Ltd. and Futu Holdings Ltd.

Still, some market participants said the regulator's statement indicated its investigation into the two firms was wrapping up, and Chinese stocks have broadly risen so far this year in part because of optimism that the worst is over for the tech sector.

WORLD WATCH

UNITED KINGDOM

Monarchy's, Harry's Popularity Decline

Prince Harry's popularity in the U.K. dropped to a low ahead of the publication of his highly anticipated memoir, which offers a rare first-person insight into life in the world's most famous monarchy, and has fueled a media frenzy in Britain.

The book "Spare," which accidentally appeared in Spanish bookstores last week and is slated to be published in English on Tuesday, has captivated royal watchers with details about Prince Harry's private life and how he became estranged from the House of Windsor.

The book claims among other things that he was pushed to the floor by his older brother Prince William during an argument, killed 25 people during his tours of military duty in Afghanistan, and experimented with cocaine.

The welter of royal revelations has done little for either Prince Harry's or the monarchy's reputation in Britain. A YouGov poll conducted last week showed that 26% of people in Britain have a positive opinion of Prince Harry, down 7 points from December and a record low.

The book also appears to have damaged his elder brother and heir to the throne Prince William, who saw his popularity fall from 77% to 69% last week, according to YouGov.

Overall a majority of Brits support the royal family but that backing has fallen to 54% from 68% in September last year, just after Queen Elizabeth II died.

Buckingham Palace continued to stay silent on the book, declining to comment Monday.

—Max Colchester

VATICAN CITY

Pope Condemns Iranian Executions

Pope Francis condemned Iran's executions of protesters in response to the demonstrations in recent months against the clerical regime.

"The right to life is also threatened in those places where the death penalty continues to be imposed, as is happening in Iran in these days," the pope said Monday.

He spoke of the protests as "demanding greater respect for the dignity of women," though he didn't mention the protest movement's broader challenge to the Islamic Republic.

His advocacy and limited words of support for the protesters reflect a tension between the pope's desire for good relations with a major Islamic country and his advocacy for women.

The continuing demonstrations in Iran, which erupted in September after the death of a young woman detained for allegedly violating Iran's female dress code, quickly turned into a movement that is seeking to overthrow the Islamic Republic.

—Francis X. Rocca

PEDRO NUNES/REUTERS

Brazilian skimboarder Lucas Fink rides a wave in Portugal.

PAKISTAN

Government Works To Revive IMF Bailout

Pakistan held talks Monday with the International Monetary Fund in an effort to restart a stalled bailout program, as economists warn that the country is in danger of defaulting on its foreign debt.

Foreign currency reserves have shrunk to critical levels, enough to cover only about three weeks' worth of imports, according to financial analysts. Pakistan Prime Minister Shehbaz Sharif said he has pleaded with the IMF to pause what he calls harsh conditions for its loan.

The government in Islamabad, facing an election this year, has resisted the IMF's demands that it raise electricity and gas prices, as well as taxes, Pakistani officials say. Nor is the administration willing to let the rupee fall further in value, with the IMF saying the market should determine the level of the currency.

"Without the IMF, Pakistan cannot last beyond a few months," said Sakib Sherani, an economist who was formerly on the prime minister's advisory council.

To save its dollar reserves, Pakistan is limiting imports. That has led to factories closing. Local car plants for Toyota Motor Corp. and Suzuki Motor Corp. announced temporary halts in production, as have other sectors, including textiles, which is Pakistan's main industry. Mr. Sharif said Pakistan would do its best to comply with the IMF, but he is still trying to persuade them to soften their terms.

—Saeed Shah

CANADA

Ottawa Buys U.S. Jets To Bolster Air Force

Canada said it would purchase 88 F-35 combat jets manufactured by **Lockheed Martin** Corp., ending a protracted, politically-charged process to refurbish the country's aging air force.

The total cost is budgeted at 19 billion Canadian dollars, or more than $14 billion, with deliveries set to start in 2026 and all purchased aircraft expected to be in operation by 2034. Canada said the deal, struck with the Pentagon, provides the country with the best jet fighter to meet its obligations to the North Atlantic Treaty Organization, and protect the country's Arctic, which officials say face elevated threats from Russia and China.

Canada promised the Biden administration the country would modernize its capabilities to help defend North America as part of the North American Aerospace Defense Command, or Norad.

In 2010, Canada's Tory government pledged to buy 65 F-35s, but that plan was put on hold because of the cost.

Canadian Defense Minister Anita Anand said the procurement process, which she described as robust, persuaded officials the F-35 was the best combat jet for the country. "We see now that many of our allies are using the F-35."

—Paul Vieira

Israel Bars Palestinian Flags From Public Use

By Dov Lieber

TEL AVIV—Israeli National Security Minister Itamar Ben-Gvir ordered the police to remove Palestinian flags from public spaces, the latest in a series of measures by the country's new right-wing government that threaten to escalate tensions with Palestinians.

Palestinian flags aren't illegal in Israel, but Israeli security forces have the right to remove them from public spaces if deemed a danger to public order. Mr. Ben-Gvir's directive against a rallying symbol for many Palestinians comes during a period of deadly violence in the occupied West Bank.

"Today I ordered the Israeli police to enforce the prohibition against flying" the Palestinian flag, Mr. Ben-Gvir tweeted late Sunday. "We will fight against terrorism and the encouragement of terrorism with all our might."

The announcement came after residents of an Arab village in northern Israel waved the Palestinian flag as part of a celebration for the homecoming of Karim Younis, who had spent four decades in Israeli prison after being convicted of murdering an Israeli soldier. Around 20% of Israel's population is Arab, many of whom identify as Palestinians.

The move followed a series of measures by the Israeli government against the Palestinian Authority, which exercises limited self-rule in parts of the West Bank, in retaliation for its moves against Israel in international forums.

In late December, at the behest of the Palestinians, the United Nations voted in favor of asking the International Court of Justice, its highest judicial body, to deliver an advisory opinion on Israel's occupation of the West Bank, where millions of Palestinians have lived under Israeli security control for decades.

The measures announced Friday include taking about $40 million from the tax Israel collects on behalf of the Palestinian Authority and transferring it to Israeli victims of Palestinian terrorism. Israel also froze Palestinian construction in areas under Israel's complete control in the West Bank, halted benefits for senior Palestinian officials such as relatively easy freedom of movement and cracked down on organizations seen as promoting anti-Israeli activity under the guise of humanitarian work, Israeli Prime Minister Benjamin Netanyahu's office said.

On Monday, Palestinian officials vowed to continue their diplomatic and legal campaign against Israel and warned that Israel's measures could hasten the downfall of the Palestinian Authority, which has been suffering from a financial crisis for years as funding from international donors has waned.

"We do not trade our right to decide our fate and freedom for money or privileges," Palestinian Authority Prime Minister Mohammad Shtayyeh said in a cabinet meeting on Monday, according to a readout by the official news outlet Wafa. He called the Israeli measures a "new war on the survival" of the Palestinian Authority.

Israeli and Palestinian security forces work together in the West Bank to battle militants.

The previous Israeli government said strengthening the Palestinian Authority was crucial to bolstering law and order in the West Bank and weakening its rival, Hamas, the Islamist militant group that controls the Gaza Strip.

ABIR SULTAN/EPA/SHUTTERSTOCK

National Security Minister Itamar Ben-Gvir on Monday.

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FROM TOP: ILLUSTRATION BY DANIEL DOWNEY; AURA

How to Prevent Scam Calls

Virtual assistants, call blocking and robocall apps can keep con artists at bay

FAMILY & TECH
JULIE JARGON

Scammers are always finding new ways to dupe people out of money. In the U.S., phone calls remain the primary way swindlers hook older victims.

A study published last month by the Federal Trade Commission found that 24% of adults over age 60 who reported losing money to a scam in 2021 said it started with a phone call—the largest percentage of any method, including email, text and mail. For victims 80 and older, phone calls were behind 40% of scams.

Scams range from robocalls pitching car warranties to young people posing as grandchildren in need of a bailout. The best way to protect against phone scams, online-safety experts say, is to *not* receive the phone calls in the first place.

So how do you do that?

While ignoring mystery calls is effective, it isn't always feasible. Perhaps you don't have all the numbers of healthcare providers, insurance companies and other vital services stored in your phone's contacts. Also, caller ID often doesn't identify the name of the business that is calling. Tech companies are developing solutions for diverting scam calls. And even though the majority of Americans over 65 have smartphones, there are also ways to protect yourself if you're on a landline.

Using tech to stop scams

Here are some things to try—pick one to start and see if it works.

▶ **Have artificial intelligence take your calls.** Online-safety company Aura has developed a bot to catch calls on iPhone and Android phones before they get to the recipient. The feature is expected to be available in the Aura app in the next few months.

When a call comes from a number that is not in the recipient's contacts list, the bot answers and asks the caller's name and reason for calling. The software uses that information, along with the caller's phone number, to determine whether it's legitimate. If the AI decides the call is fraudulent, the software blocks the call and notifies the recipient and provides a transcript.

If it can't determine the legitimacy, the recipient receives a notification, and can then choose whether to accept the call or send it to the Aura app's spam folder.

A setting allows Aura to notify loved ones or caregivers if the recipient accepts potentially malicious calls. Caregivers can even enable a setting that sends all suspicious calls directly to spam. Even if a caregiver installed the app, users can still remove it.

The Aura app—which also provides identity-theft insurance, financial-fraud protection and a password manager—costs $22 a month for two adults. Prices vary for families and individuals.

If you have Google's Pixel Android phone, Google Assistant can automatically screen calls from unknown callers. If the Assistant determines the call to be spam, your phone hangs up on the caller. If you tap "screen call," Google Assistant will ask who's calling and why. You'll see a real-time transcript and can choose whether to accept or decline the call.

▶ **Set your phone to block calls.** iPhone users who are running iOS 13 or later can silence unknown callers using the Phone setting. Calls from people who aren't in your contacts list or with whom you haven't previously been in contact won't ring, but they will appear in your recent calls list and be sent to voice mail. Update your contacts list with important numbers so that you don't miss calls from a doctor's office or other important business lines.

People with most newer Android phones can also block spam calls in their Phone settings. Filtered calls won't ring or provide missed-call or voice-mail notifications but will end up in your call history and voice mail.

Samsung Galaxy phone owners can use Smart Call, which flags suspected spam calls and allows you to block and report them.

You can block specific numbers on iPhones and Android manually.

▶ **Use an app to block calls.** If following steps to block calls on your phone feels cumbersome, or unwanted calls are still slipping through, there are other apps, many free, that can do it for you.

They often use a log of known or reported spam numbers to determine an incoming call's validity. CTIA, the wireless industry's trade association, lists robocall-blocking apps for Apple and Android devices.

What else you can do

A majority of U.S. adults over the age of 65 own a smartphone, according to Pew Research Center, but many still use landlines, which are harder to patrol. You can stop some unwanted calls by adding your number to the National Do Not Call Registry. You can also ask your phone company about call-blocking options, which usually cost extra.

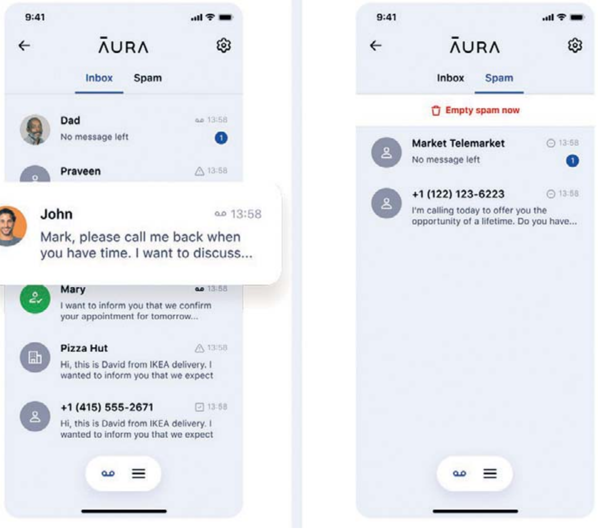
Here are some tips from the AARP for recognizing fraudulent calls:

▶ **Verify the caller.** If a caller claims to be a grandchild or your bank, tell the person you'll call back and then hang up. Ask for the caller's number. If the person refuses, that's a red flag. If there's any doubt, call the number you already have on file.

▶ **Screen calls from your area code.** Scammers use caller-ID spoofing to hide their locations, and spam calls can appear to be originating in your own area code. A 2019 AARP survey found that 59% of respondents said they're more likely to answer the phone if a number bears their area code. Don't be fooled!

▶ **Don't engage.** If you can afford to ignore a mystery call, just don't pick up the phone.

If you're expecting a call and have to answer, proceed with caution. Don't press any keys or answer any questions in response to a prerecorded message, and don't opt to speak to a live operator. If you doubt the legitimacy of a call, hang up.



Aura sends voice mails from unknown but likely legitimate callers to the app's inbox and voice mails from likely fraudulent callers to spam.

Flu Can Last Longer Than You Think

BY ANDREA PETERSEN

Many people are experiencing the particular misery of the flu for the first time in several years. After two years of milder flu seasons, here is a reminder of what the flu is—and what to do if you get it.

This flu season hit earlier and harder than those of the past couple of years, doctors say. The reason is likely because of the cyclical nature of the flu and the lifting of Covid precautions such as working from home, wearing masks and having smaller social gatherings, says Robert Frenck, a pediatrician in the division of infectious diseases at Cincinnati Children's hospital in Ohio.

Which symptoms are most common?

The hallmark symptoms of the flu are fever, headache, chills and body aches, says Dr. Frenck. Sore throat and cough are typical, too, he says.

But not everyone who has the flu will get a fever, says Ryan Mire, an internal medicine physician in Nashville, Tenn., and president of the American College of Physicians.

In children, the influenza virus can infect the digestive system and cause diarrhea, says Tochi Iroku-Malize, a family doctor in Islip, N.Y., and president of the American Academy of Family Physicians.

Symptoms of the flu tend to come on suddenly, within a day or even hours.

And unlike a cold, you're less likely to be able to power through symptoms. "You feel terrible," says Dr. Frenck. "You just want to get in bed and pull the covers over your head."

How long do flu symptoms last?

On average, the crushing fever, chills and body aches tend to last between three and five days, says Dr. Frenck. But fatigue and cough can linger for up to three weeks, he says. Dr. Mire notes that the trajectory of flu is highly individual and unpredictable.

Why can symptoms last so long?

People with the flu can start to feel better and then take a turn for the worse, often between days 10 and 14, says Dr. Frenck.

For those who have this worsening of symptoms, it may signal a secondary bacterial infection, such as pneumonia. Pneumonia is often characterized by a return of fever and a worsening cough, sometimes accompanied with difficulty breathing. People can also develop ear or sinus infections or even encephalitis, which occurs when the influenza virus gets into the spinal fluid and can cause confusion and other symptoms, says Dr. Mire.

Dr. Iroku-Malize says that if you're having any trouble breathing, are unable to eat or drink, or if you've been improving and then symptoms worsen, see your doctor. It is secondary infections, particularly pneumonia, that are often what land people in the hospital and can lead to flu deaths, doctors say. Secondary bacterial infections from influenza need to be treated with antibiotics.

PHOTO ILLUSTRATION BY ERICKA BURCHETT/THE WALL STREET JOURNAL; ISTOCK (2)

How long are you contagious?

People shed the flu virus for about four to five days, says Seema Lakdawala, associate professor of microbiology and immunology at Emory University School of Medicine who studies influenza transmission.

But the tricky thing with flu is that you are contagious starting about 24 hours before you show symptoms, says Dr. Lakdawala.

Fever is associated with high viral loads, says Dr. Mire, so people are highly contagious while they have a fever. He advises his patients to stay home until they are fever-free, without using any fever-reducing medications, for at least 24 hours. After that, they are much less likely to be contagious.

People generally will become infected about one to two days after being exposed to the influenza virus.

How is the flu treated?

Other than rest and fluids, doctors recommend treating the individual symptoms. For fever and body aches, for example, Dr. Iroku-Malize says your doctor may recommend acetaminophen and ibuprofen. Some people get relief from congestion from mentholated topical rubs, she says.

Antiviral medications such as Tamiflu can cut the duration of flu symptoms by a day or two. The drugs also reduce the risk of complications such as secondary infections and hospitalization. Doctors recommend antivirals for people at high risk for flu complications, including people aged 65 and older and those with chronic health conditions such as diabetes and heart disease. Taking antivirals within the first 48 hours of symptoms is most effective, says Dr. Mire. The most common side effect of the drugs is nausea and vomiting.

If you have symptoms of flu and are at increased risk of complications, it is important to get tested for flu so you can get a diagnosis and start treatment in time for antivirals to be most effective.

Is there anything else I can do to lessen my odds of getting the flu?

Doctors emphasize the importance of getting your flu shot, which reduces the risk of infection and of complications if you do catch the virus. The vaccine is particularly important for older adults, young children, pregnant women and people with other health conditions.

And it isn't too late to get your shot this year, says Dr. Frenck.

Would You Zap Yourself With Electricity to Get in Shape?

Goal is more efficient workouts; muscle damage, burns can be a risk

By Betsy Morris

One of the latest trends in boutique fitness is electrifying. Literally.

Called whole-body electrical muscle stimulation, or EMS, the technique requires users to wear an electrode-studded suit that attaches to a machine. The suit delivers electrical impulses that make each exercise more difficult as muscles fight against the impulses.

The result is a more efficient way to build muscle mass and strength, say proponents, who claim that one 20-minute session of whole-body zapping achieves the same benefits as 2½ hours of conventional strength training. In the U.S., the workouts are offered by about 400 fitness centers, spas and other outlets, and do-it-yourself home training kits are proliferating online.

Yet whole-body EMS isn't a shortcut to a Marvel hero's physique, scientists say. Regulators have warned the equipment can be dangerous, with risks including muscle damage or burns.

Whole-body EMS is attracting more attention from researchers studying whether the technique might benefit people who don't or can't exercise. Some doctors are investigating whether it can decrease inflammation in the obese and frailty in older people.

A small study presented at an American Heart Association conference in November suggested that whole-body EMS might benefit the heart. Twenty-four young, healthy adults who did 20 minutes a week of squats, lunges and bicep curls using electrical stimulation recorded greater improvements in waist and hip measurements, cholesterol levels, aerobic capacity and other indicators of cardiac health than a second group that did the same exercises without stimulation, according to the findings, which haven't been published in a scientific journal.

Small studies like this suggest the approach might hold promise as a supplemental treatment for cardiac patients who don't get the exercise they need, says Jaskanwal Sara, the Mayo Clinic doctor who conducted the research.

Physical therapists have long used small devices to deliver electrical stimulation to parts of the body to improve range of motion, relax muscle spasms, increase blood flow and stave off muscle atrophy in patients who can't exercise.

Sports scientists and entrepreneurs began to develop whole-body EMS for fitness nearly 20 years ago. Companies are beginning to sell devices for home use, but most whole-body EMS training is offered in supervised settings like chiropractors' offices and spas or with a personal trainer. Trainers recommend no more than one electrified workout a week unless you are very fit, and caution that these workouts, like conventional workouts, require time for muscles to recover.

At Five Points Fitness, a fitness center that offers classes and training programs in Corte Madera, Calif., the cost of whole-body EMS sessions ranges from $130 per single session to $95 each for a package of 50 sessions.

Clients change into a leotard-like suit designed to prevent electrodes from direct skin contact. Over that suit, they wear a specially designed vest, and arm and leg straps that have been sprayed with water to boost electrical conductivity. Clients are hooked up to a machine and get into a shallow squat with a tennis ball in each hand.

AKILAH TOWNSEND FOR THE WALL STREET JOURNAL (2)

Whole-body electrical muscle stimulation requires users to wear an electrode-studded suit. Studies on the effectiveness are mixed.

Joan Busby, one of the center's trainers, adjusts electricity that alternates on and off every four seconds as she puts her clients through 20 minutes of squats, lunges and bicep curls. Lights on the machine alert clients the electricity is about to start and when it is on. Ms. Busby says she maintains communication with clients as she adjusts the intensity of the electrical current during their workouts, asking them to rate how the electricity feels on a scale of one to 10.

"Ten means 'I can't take it.' Zero means 'You forgot to plug me in,' " she says. Usually, she adjusts the levels somewhere in the middle.

Tammy Wilks Kornfeld, a 59-year-old client of Ms. Busby's, began whole-body EMS several months ago to get out of a fitness rut. The stimulation makes a squat or lunge seem about 10 times harder, she says. In a bicep curl, she lifts a tennis ball instead of a weight.

"You would think you could do it forever but you can only do 10 or 15," she says. "The feeling is not unpleasant but you do feel your muscles vibrating. It could be scary for some people." She says the exercise has toned her body, resolved most of her back pain and boosted her stamina for tennis.

Studies on the effectiveness of the method for improving health and building fitness are mixed. Some indicate whole-body EMS improves body composition and reduces fat, but others don't. Many indicate the method builds muscle and strength, but they are small and based on different methodologies, making it difficult to precisely determine the benefits. The Mayo Clinic's Dr. Sara and other researchers say that more study is needed.

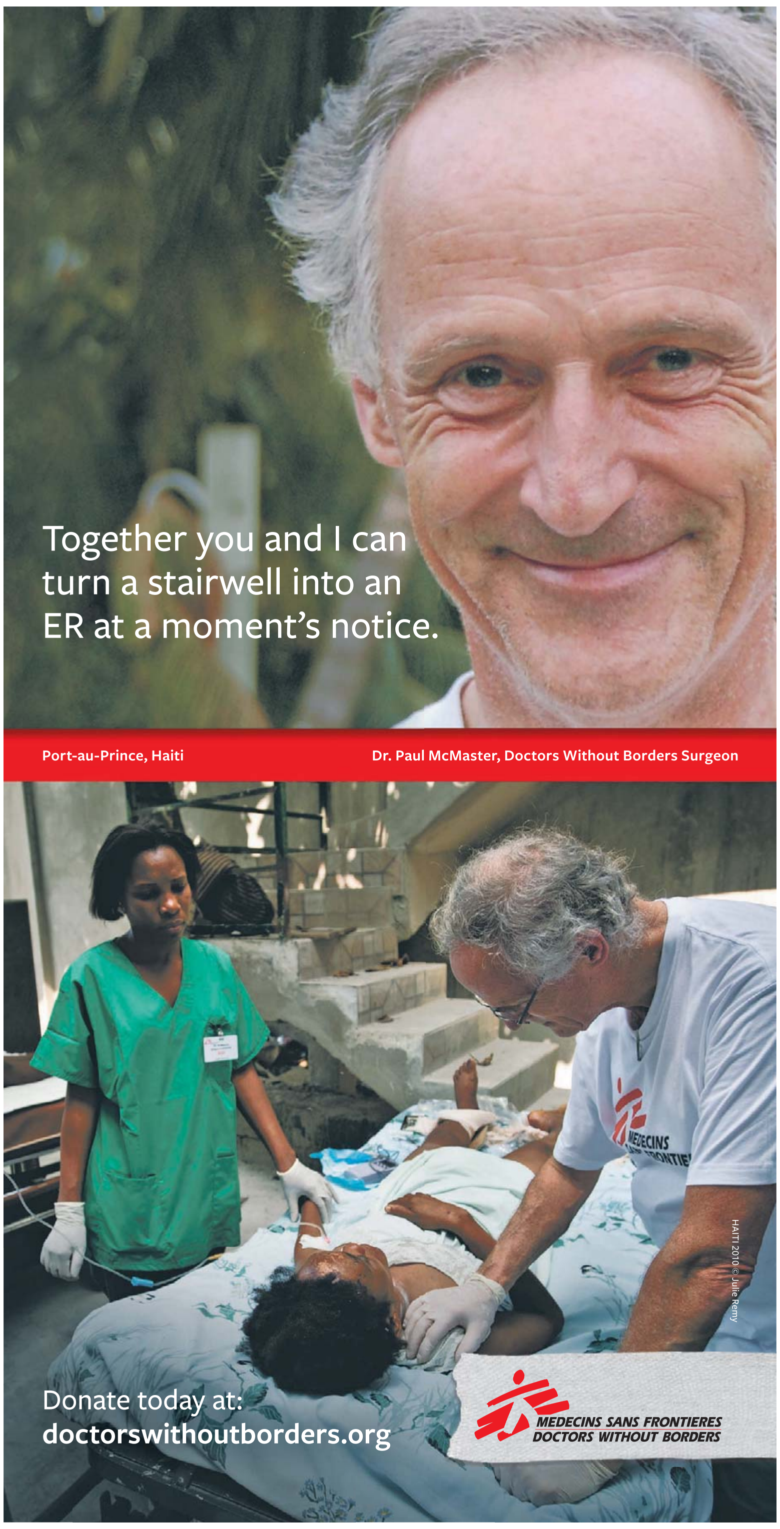
The equipment can be dangerous. In Europe, according to several studies, the devices have been associated with at least seven cases of rhabdomyolysis, or rhabdo, a serious medical condition in which damaged, overused muscles release substances into the blood that can harm the heart and kidneys.

Katalyst Interactive Inc., which sells training systems to use at home for about $2,300, advises customers not to overexert. The company says people who are pregnant, people who have pacemakers or metal or electronic implants, or people who have any kind of heart condition must not use its training system. The company also instructs them to remove jewelry, body piercings and other metallic objects because "stimulation should not be applied near metal."

The FDA has approved a handful of whole-body electrical muscle stimulators for improving the performance of healthy muscles but not for weight loss. The agency notes that it has received reports of shocks and burns associated with some devices and of interference with pacemakers and defibrillators.

While the stimulators might be able to temporarily strengthen, tone or firm muscles, "these devices alone will not give you 'six-pack' abs," the agency tells consumers on its website.

"Electrical stimulation won't turn a sedentary person into an athlete," says Damien Callahan, assistant professor of human physiology at the University of Oregon.



Fitness Guru Builds an Empire On Bite-Size Exercise Modules

By Chavie Lieber

On a mild December morning, Melissa Wood-Tepperberg led 16 employees in a meditation. There were Melissa Wood Health-branded exercise accessories to test and Melissa Wood Health workouts to plan for the New Year, but first the group would sit in the stillness of her Manhattan office and breathe.

"Connect with those inhales through your nose and exhales out your body," she said. "Just sit here and just be."

Slowing down is the overarching philosophy of Melissa Wood Health, a fitness brand that includes workout videos, nutrition tips, a podcast and merchandise. Ms. Wood-Tepperberg has attracted legions of paying subscribers with low-impact routines that her followers describe as transformative.

"It might look easy, but it's incredible how you work every single muscle, strengthening and toning your entire body," she said in an interview. "I always say, 'Don't trust me—try me.' "

A 40-year-old mother of two, she has staked her brand on bite-size exercise modules designed for the Instagram generation. While the fitness world has plenty of celebrity instructors, Ms. Wood-Tepperberg has distinguished herself by focusing on pace and duration, with videos that take less time to complete than some skin-care regimens.

"Our society says that if you don't have an hour to work out, you don't have enough time, and I'm here to share that that's completely not true," she said. "It's about giving yourself time daily."

Ms. Wood-Tepperberg's fitness program, which costs $9.99 a month, has more than 100,000 subscribers, according to a person familiar with the business. She offers a range of traditional yoga and Pilates classes, but it's her techniques for body-sculpting, ab-burning and butt-lifting that have earned her fans, including celebrities.

Melissa Wood Health videos are spare and straightforward. Unlike bass-bumping SoulCycle classes or yoga sessions soundtracked by rainforest noises, there's no background music—only the sound of Ms. Wood-Tepperberg's throaty voice giving instructions and offering firm words of encouragement. She helps her followers keep their goals in sight and may in fact epitomize their ideal selves—only more fit and beautiful.

The low-impact exercise routines focus on pace and duration.

"I know it's psychotic because I've never even met her, but I feel so connected to her," said Kimberlee Howe, a 30-year-old Los Angeles wedding planner who credits Ms. Wood-Tepperberg for helping her develop abs.

Ms. Wood-Tepperberg launched her paid subscription service in 2017, and like many fitness instructors who took their practices online during the pandemic, she saw her social-media following skyrocket in 2020. Today she has one million Instagram followers.

Once gyms reopened, boutique fitness came back with a bang and Craigslist became a graveyard for Peloton bikes. But Ms. Wood-Tepperberg's digital-workout fans have stuck around.

The fitness guru is creating a Peloton-like mini-empire of her own with a team of seven new instructors. For all the growth and changes, Ms. Wood-Tepperberg remains the face of her brand, which extends to a personal Instagram account where followers can learn her beauty routines, get a glimpse of her manicured home, observe her meditation schedule and keep up with her travels.

MELISSA WOOD

Wood-Tepperberg has a million Instagram followers.

Some Pilates purists believe Ms. Wood-Tepperberg does not hold tight to the century-old method. James Davis, a Pilates instructor and physical therapist in the U.K., said he doesn't think Ms. Wood-Tepperberg teaches enough fundamentals.

Still, he commended Ms. Wood-Tepperberg for helping "thousands of people improve their health and look after their mental and physical selves." A spokesperson said Melissa Wood Health organizes videos by beginner, intermediate and advanced to guide viewers.

ARTS IN REVIEW

ART REVIEW

A Museum That's More Than 'Mural'

There's plenty to enjoy in addition to the Abstract Expressionist masterpiece

By Judith H. Dobrzynski

Iowa City, Iowa

Chances are, many visitors to the Stanley Museum of Art at the University of Iowa have come especially to see its most famous painting—Jackson Pollock's "Mural" (1943). Commissioned by art patron and dealer Peggy Guggenheim, and later donated by her, the 8-by-20-foot painting, with its swirling black verticals and network of biomorphic yellow, gray, pink and red whirls, brims with energy. It was a breakthrough for Pollock, a bridge to his famous drip works, an arrow pointing to action painting and Abstract Expressionism.

The Stanley Museum of Art's host of treasures gets a new building.

After being homeless and on tour to other museums since colossal flooding in 2008 rendered the old museum unfit for art, "Mural" recently returned to a brand-new building, with more than 16,500 square feet of indoor gallery space, where it anchors "Homecoming," the inaugural exhibition of some 600 works by 500 artists.

Yet the first painting visitors see is not "Mural," which is beautifully showcased on the entire wall of a large corner gallery, but the crisp, brightly colored "E" (1915) by Marsden Hartley. This meditation on Hartley's German lover, a soldier who died early in World War I, is part of a renowned series that synthesizes Cubism, collage, trompe l'oeil and German Expressionism. "E" hints at what is to come, namely that the Stanley's collection of 20th- and 21st-century art comprises many more treasures than "Mural."

The exhibit name-checks many great artists with stellar works, including the vivid "A Drop of Dew Falling From the Wing of a Bird Awakens Rosalie Asleep in the Shade of a Cobweb" (1939) by Joan Miró; "Carnival" (1943), a triptych alluding to life, death, paradise and war by Max Beckmann; "Still Life With Fruit" (1920-22), an exemplary Cubist work by Georges Braque; and "Red No. 28" (1960) by Yayoi Kusama. It surprises with lesser-known but sterling works, such as Alma Thomas's exuberant "Spring Embraces Yellow" (1973), an abstraction that conjures sunshine and daffodils, and Elaine de Kooning's "Conrad Fried" (1954), a thoroughly modern, loosely painted portrait of her brother.

Organized by a curatorial team led by Diana Tuite, the museum's modern paintings section also offers thoughtful juxtapositions. The strong black verticals of Matisse's "Blue Interior With Two Girls" (1947) are echoed in two nearby Gee's Bend quilts, "Bricklayer" (2005) by Nancy Pettway and "My Way" (2012) by Mary Ann Pettway. Farm country appears in such varied ways as Edvard Munch's expressive "Grain Field" (1917); Diego Rivera's "Peasants Under a Tree" (undated) resting with their produce; Lee Allen's workhorses plowing rolling hills in "Corn Country" (1937); and Danny Lyon's poignant photograph "Cotton Pickers, Ferguson Unit, Texas" (1967-68), which depicts a group of incarcerated black men, uniformly dressed in white, synchronously stooped over in harvesting.

Another intriguing pairing contrasts Gordon Parks's "Untitled, Mobile, Alabama (Segregation Story)" (1956, printed 2022)—which shows a black girl and her grandmother eyeing a store window filled with neatly dressed white mannequins—with Grant Wood's "Plaid Sweater" (1931), a portrait of a confident, well-accoutered youth clutching a football.

There's much more—although not every artwork is first-rate—but the Stanley also boasts a bountiful collection of African textiles, masks, ceramics, carved wooden kings, mothers and reliquary figures, plus other objects. Dating from the first half of the 19th century to 2022, they occupy about half the museum's exhibition space, and come from countries including Nigeria, Burkina Faso, Cameroon, Ghana, Ethiopia and Tanzania. Here and there, curator Cory Gundlach has inserted Western works to highlight cross-cultural affinities and the global nature of art. "Golden Enstrata" (1975-76) by the first generation Abstract Expressionist Richard Pousette-Dart, for example, deals with myths, as do African objects, while Andy Warhol's "Flowers" (1970) deploys colors similar to nearby textiles.

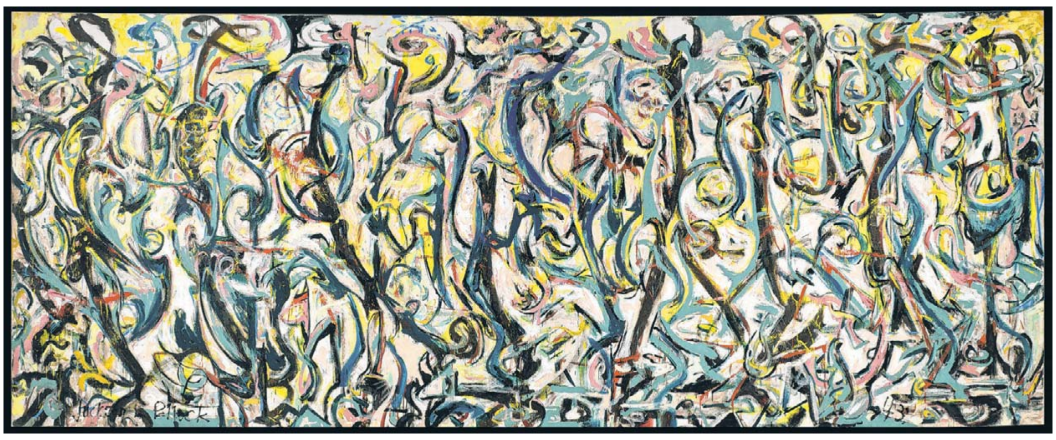
Many of these often canonical examples of African art stand out. In textiles, a colorful silk cloth (late 19th century) from Djerba island, Tunisia—vertical stripes of red, orange, green, white, black and more, many embroidered with geometric patterns—holds the place of honor; it's shown with a photograph of a Senegalese woman wearing a similar cloth as a shawl, situating it squarely in Africa despite the origins of the silk in France. Two large quilted tent panels of cotton appliqué on linen (1895-1898) in Khedival style come from Egypt and incorporate an abstract design, an arabesque medallion, and calligraphic Arabic text, accompanied by architectural features that suggest where they would have hung.

In masks, beyond such works as a simple copper oval face engraved with scarification marks (Ding/Kongo-Dinga style, before 1987), a beautifully carved, polished wood "Gèlèdé headdress" (Yorùbá style, late 19th century) includes a distinctive squared ear design that has allowed scholars to propose that it is a creation of the "Ànàgó Master" (Beninese, active late 19th century). He also created a similar headdress (20th century) nearby.

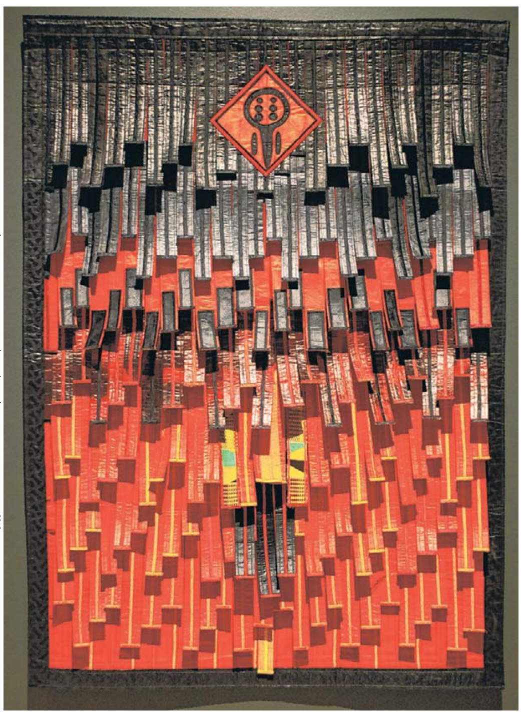
Some masks are far more elaborate, such as one in Tabwa style (c. 1940–1950), sewn with small, colorful glass beads, leather, rooster feathers and monkey pelt, from the Democratic Republic of the Congo and one made of wood, human hair, glass beads, cowrie shells, pigment, and cloth, "Bamiléké-Dogon Ku'ngang Mask, Series: Visages de masques (VI)" (2019-22), by Cameroonian artist Hervé Youmbi. Visitors can watch a video of the mask used in a contemporary ritual.

With such variety and diversity on view, it's clear that "Mural" may be the reason visitors come, but the rest of the collection gives them many reasons to stay.

Ms. Dobrzynski writes about art for the Journal and other publications.



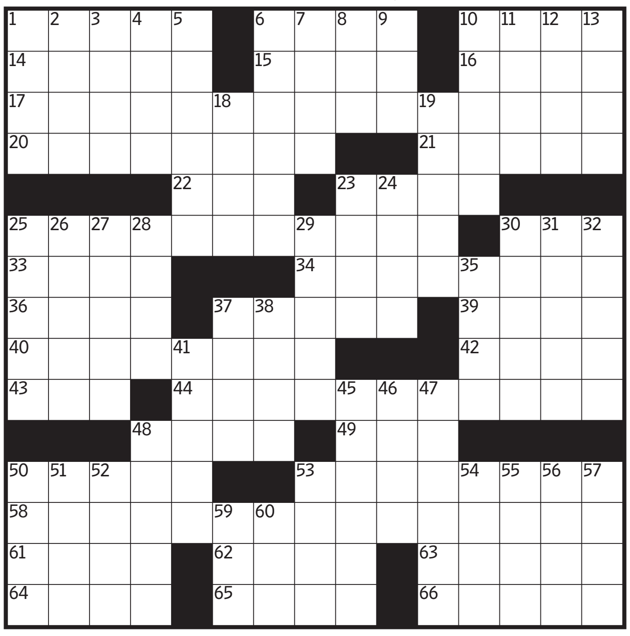
Jackson Pollock, 'Mural' (1943), above; Marsden Hartley's 'E' (1915), left



Grant Wood's 'Plaid Sweater' (1931), above left; Abdoulaye Konaté's 'Rouge Kente et Monde' (2020), left

FROM TOP: UNIVERSITY OF IOWA (2); FIGGE ART MUSEUM/ARS, N.Y.; ABDOULAYE KONATÉ/GALLERY 1957

The WSJ Daily Crossword | Edited by Mike Shenk



WURST CASE SCENARIO | By Gary Larson & Amy Ensz

Across

1 Bring home from the pet shelter, say
6 Wallop
10 It's between the Lounge and Study on a Clue board
14 Jason of "Dune"
15 Ivy in Philly
16 Sweet-tasting sandwich
17 Conversation about a sausage?
20 Workforce units
21 Flirty sort
22 La-la-la preceder
23 Subjects for Goodall and Fossey
25 Foot-long aficionado?
30 "Can I help you?"
33 Have ___ in one's bonnet
34 Dangerous pitch
36 Go on the road
37 Long stories
39 Against
40 Proceeding according to plan
42 Knowing, as a secret
43 Science advocate Bill
44 Unaccounted-for brat?
48 Breathe hard
49 "The Crying Game" star Stephen
50 Cook, as clams
53 "Winged Victory" playwright
58 Starting to grill a wiener?
61 ___ meridiem
62 Hayloft unit
63 Popeye creator Segar
64 Afternoon affairs
65 Kept in the cellar, perhaps
66 Common sense?

Down

1 Like many radios
2 Exploring tyke of TV
3 Sultan Haitham bin Tariq's nation
4 Ride at a birthday party, sometimes
5 Form a liking for
6 Like some passes
7 Amount to make do with
8 Tar Heels' sch.
9 Bearded antelope
10 Handfuls for firefighters
11 Song for a mezzo
12 People with a sign of pride?
13 Singular
18 Projectile in a pub
19 Back at sea?
23 With, in France
24 Potpie tidbits
25 Inform against
26 Dark timber
27 Low card
28 Villain's vanquisher
29 Theater awards
30 One-named Greek musician
31 He sang a 2022 duet of "Hold Me Closer" with Britney
32 Move furtively
35 You get in trouble if you skip it
37 Leprechaun's land
38 "Check this out!"
41 Savory taste
45 Freed of wrinkles
46 Sticks together?
47 Big cuts
48 Party spreads
50 Cross words
51 Melody
52 Jazz diva Jones
53 CIA worry
54 Leadership position
55 Axlike tool
56 Muddy up
57 Neutrogena dandruff shampoo
59 Clippers' org.
60 Jest

▶ Solve this puzzle online and discuss it at **WSJ.com/Puzzles.**

Previous Puzzle's Solution

O	A	K	S	■	A	R	M	■	S	U	P	R	A	S
F	R	E	T	■	M	O	O	■	U	N	L	A	C	E
F	R	E	E	W	I	L	L	■	N	U	A	N	C	E
S	I	N	■	I	D	E	A	S	■	S	N	O	U	T
E	V	O	K	E	■	■	R	O	S	E	B	U	S	H
T	E	N	A	N	T	■	■	L	I	D	■	T	E	E
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■	■	J	U	R	Y	F	O	R	E	M	A	N	■	■
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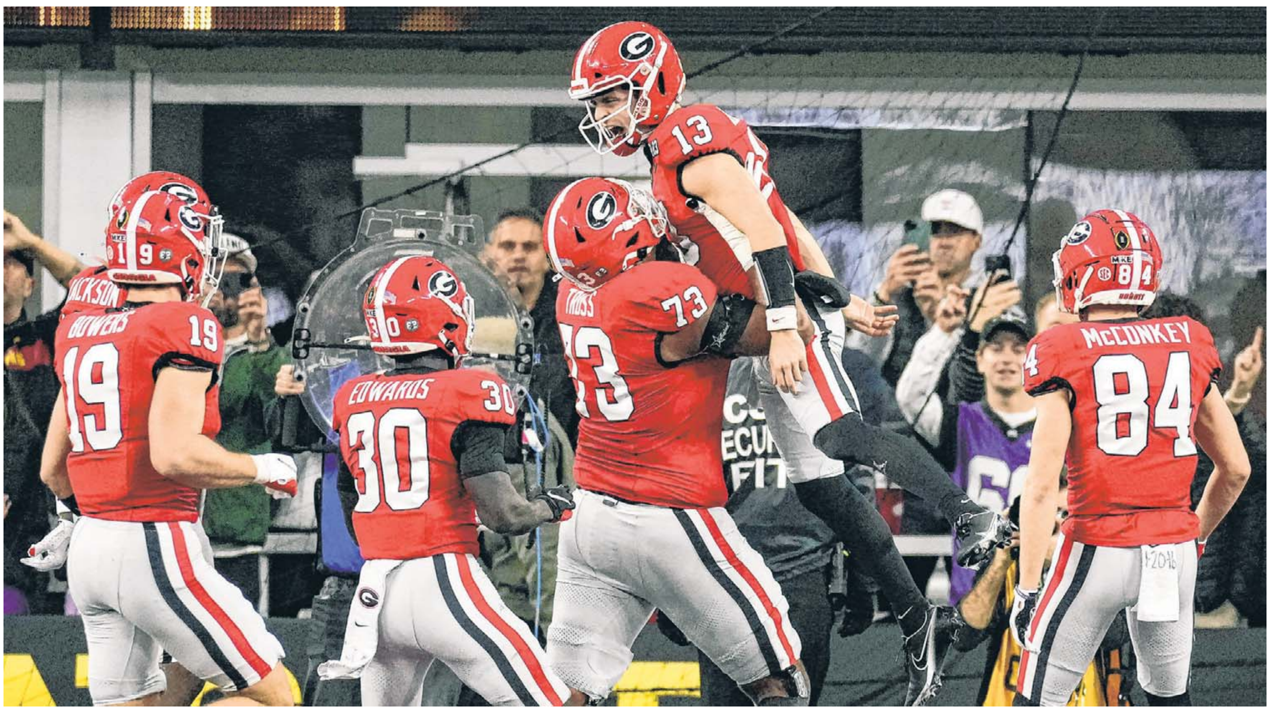
T	O	G	■	S	O	N	■	■	T	R	A	C	E	D
R	U	G	B	U	R	N	S	■	■	P	R	O	N	E
A	D	L	I	B	■	Y	O	K	E	L	■	R	I	M
F	I	E	S	T	A	■	B	Y	G	E	O	R	G	E
E	N	R	O	L	L	■	E	R	A	■	L	A	M	A
D	I	S	N	E	Y	■	R	A	D	■	E	L	A	N

SPORTS

Georgia Wins Back-to-Back Titles

Stetson Bennett IV threw for four touchdowns and ran for two more in the Bulldogs' 65-7 win over Texas Christian

By Rachel Bachman



Georgia quarterback Stetson Bennett IV, center, is lifted up by offensive lineman Xavier Truss during the Bulldogs' 65-7 win over TCU on Monday.

MARCIO JOSE SANCHEZ/ASSOCIATED PRESS

Los Angeles

A decade ago, Georgia was a reliable college football power that couldn't topple the sport's dynastic kings to win titles. On Monday night at SoFi Stadium, the Bulldogs finally laid claim to a dynasty of their own.

Georgia became the first program to repeat as champions in the nine-year College Football Playoff era with a crushing 65-7 win over Texas Christian. It was the most lopsided victory in the three decades that designated national-championship games have been held in college football, dating to the 1992 start of the Bowl Coalition.

The Bulldogs used the same simple but suffocating formula they deployed all season en route to a 15-0 record: a stifling defense and a dangerous offense led by a 5-foot-11 former walk-on quarterback named Stetson Bennett IV.

In his sixth collegiate season at age 25, Bennett capped one of the most unusual—and now, most decorated—college football careers of all time with a performance that seemed effortless in the air and on the ground.

The Heisman Trophy finalist threw for 304 yards and four touchdowns on 18-of-25 passing, spreading the ball to running backs Kenny McIntosh, Daijun Edwards, Kendall Milton, wide receiver Ladd McConkey and tight end Brock Bowers, the Bulldogs' leading pass-catcher for the past two seasons. Bowers finished with seven catches for 152 yards and a touchdown Monday night.

Bennett ran for two more touchdowns himself, strolling into the end zone untouched on both occasions while Georgia's hulking offensive linemen searched in vain for Horned Frogs to block.

TCU, which started the season unranked but charged to an unlikely spot in the title game, could scarcely move the ball Monday. The Horned Frogs finished with 36 rushing yards.

Quarterback Max Duggan, who led comeback after comeback this season to get TCU into the College Football Playoff, finished with 152 yards, no touchdowns and two interceptions on 14-of-22 passing. He did, however, run two yards into the end zone for the Horned Frogs' only score.

Georgia was nearly unstoppable from the start. The Bulldogs scored on all six of their first drives to take a 38-7 halftime lead, their only blemish a drive that ended with a field goal instead of a touchdown.

Monday marked Georgia's third football title, including the 1980 Herschel Walker-led championship during the era when media and expert polls determined the national champion.

Georgia's seventh-year coach Kirby Smart, a former defensive coordinator at Alabama, has helped the Bulldogs separate from a small pack of elite college football teams to become the premier program in the nation. Smart has boosted Georgia's recruiting budget and raised the ranking of each class of players, while broadening the program's scope beyond the talent-rich South to include athletes from coast to coast.

Although Georgia once was an annual power that rarely won championships, it now has the edge on Alabama, winners of three national titles in the College Football Playoff era and repeat champions in 2011 and 2012 during the Bowl Championship Series, era when the postseason consisted of one game.

Now, there are toddlers who only know a world with the Bulldogs as national champions. Georgia hasn't lost since a 41-24 defeat to Alabama in the Dec. 4, 2021, Southeastern Conference championship game.

The Bulldogs built both title teams around Bennett, the undersized spark plug who took a detour to junior college before returning to Georgia and winning the starting job.

Bennett, nicknamed "Mailman" for wearing a U.S. Postal Service cap to football camps, ended his career Monday as one of the most beloved figures in Georgia history.

TCU (13-2) faced one of the great challenges in recent decades of title games. The talent on its roster ranked No. 32 in the nation, according to recruiting site 247 Sports, compared with a Georgia roster that was rated No. 2, trailing only Alabama.

Hamlin Moved To Buffalo Hospital

By Louise Radnofsky And Andrew Beaton

DAMAR HAMLIN WAS RELEASED from a hospital in Cincinnati on Monday and admitted to another hospital in Buffalo, nearly a week after he went into cardiac arrest on the field during the Bills' game against the Bengals.

"Mr. Hamlin has been released and returned to Buffalo," said Dr. William A. Knight IV, one of Hamlin's doctors at the University of Cincinnati Medical Center, later in the day Monday.

"He landed safely," Knight continued. "I can confirm he's doing well. And this is the beginning of the next stage of his recovery."

Dr. Timothy Pritts, a trauma surgeon at the hospital, said that health providers had released Hamlin from their care confident that each organ system was stable and that he no longer needed intensive nursing care or respiratory therapy.

"We think he will recover well from this," Pritts projected, cautioning that it was too early to make a prediction about whether Hamlin would be able to return to professional football.

"Grateful for the awesome care I received at UCMC. Happy to be back in Buffalo. The docs and nurses at Buffalo General have already made me feel at home!" Hamlin tweeted Monday.

During the first quarter of a game on Jan. 2, Hamlin made a tackle during which he appeared to receive a blow to the chest. After briefly standing up, he fell to the ground as medical personnel rushed to give him emergency care. He received CPR on the field and his heartbeat was restored with a defibrillator. He was then taken off the field in an ambulance to the hospital where he was in critical condition in the intensive care unit.

Hamlin's release capped a dramatic week. The Bills-Bengals game was suspended after the incident and later canceled. But a couple of days after Hamlin's collapse, good news began to come from his doctors. Hamlin woke up last Wednesday night, writing messages that made clear he had emerged neurologically intact. Doctors said Friday he was breathing on his own, adding that he began walking around the hospital that day.

His physicians also made clear that if the response on the field hadn't been so speedy, he could have faced a different outcome.

Toy Drive Solved Chaos in NFL Fantasy Football

Some groups found an elegant solution after Bills-Bengals was canceled: donating the prize money

By Andrew Beaton

TIMOTHY T LUDWIG/GETTY IMAGES

Roy Vincent and a few guys went to a bar in Seattle on Jan. 2 to watch the game that would decide who would win their fantasy football league.

The 37-year-old Microsoft employee narrowly trailed in the championship matchup but had one player who could swing the outcome in that Bills-Bengals game.

Hundreds of dollars, pride and fantasy football's greatest rite—bragging mercilessly—were on the line. But minutes into the game, fantasy football stopped mattering.

"That feeling in your stomach kind of sets in that this is different," Vincent says.

When the one player Vincent had in the game, Cincinnati receiver Tee Higgins, made his first catch of the night during the first quarter, he was tackled by 24-year-old Buffalo safety Damar Hamlin. After the play, Hamlin stood up, fell to the ground and went into life-threatening cardiac arrest in a frightening scene that shook the football world. Hamlin is now improving remarkably, breathing on his own and appears to be neurologically intact, according to his doctors, whose positive updates have sent a rush of relief through the sport after a somber few days.

With the television on mute at the bar as the incident unfolded, Vincent and his friends frantically scrolled on Twitter to figure out what was happening. They eventually called it a night as Hamlin, who received CPR and had his heartbeat restored on the field, was taken to the hospital while the game was suspended.

For a few days, it was unclear if the game would restart, and it was eventually canceled by the NFL. And the prospect of a cancellation created a queasy problem in fantasy football.

Leagues typically hold their championships during the penultimate week of the season, and Bills-Bengals was the last game of the second-to-last week. As two of the NFL's best teams, the Bills and Bengals have several players who were poised to decide the title winners of armchair football, including quarterbacks Josh Allen and Joe Burrow and wide receivers Stefon Diggs and Ja'Marr Chase. Fantasy operators had to scramble to address how they would score outcomes, with millions of dollars on the line in some instances.

But even before NFL commissioner Roger Goodell canceled the game, some fantasy commissioners and players took matters into their own hands.

The next morning, Vincent sent a text message to Lance Harper, his fantasy football opponent, with an idea on how to decide their matchup that suddenly felt meaningless: They would each settle for the second-place prize money.

The rest, $290, would go to Hamlin's toy drive.

"Obviously you can say no and I won't fault you," Vincent's text message said.

"That sounds good. I was thinking of proposing we split it if they don't end up playing it," Harper replied. "I like your idea though," he added with a thumbs-up emoji.

Hamlin's previously little-known fundraiser for kids in his Pennsylvania community exploded in the aftermath of his collapse. Donations poured in from fans, NFL players and team owners. The original goal was $2,500. It has now raised over $8 million.

Tucked inside the list of over 200,000 donors: a lot of fantasy football leagues.

One donation from "JUSO FF League" on the GoFundMe website was for $3,650. A donation from "Milbrook Fantasy Football" added $2,303 while "DAP Fantasy Football" chipped in $1,200. Others populated the donor page with contributions of tens, hundreds and thousands of dollars.

"It felt inappropriate to try to think about, 'Oh how's my fantasy football championship going to be resolved because of this?' " said Josh Kelley, a special-education teacher from Omaha. "It felt super icky."

$8.6 MILLION

Amount of money Damar Hamlin's charitable toy drive has raised, as of Monday afternoon

Kelley's team, named the Diggity Dogs, entered the Monday night game with the lead in the championship of his league. But since his opponent had Bengals quarterback Joe Burrow, it was far from certain that he would win. Kelley and his opponent both made donations to Hamlin's toy fund on their own after the incident, so when he proposed sending the $155 in fantasy winnings there, she quickly accepted.

Not every league or pool is among pals who could come to heartwarming handshake agreements. Popular websites where people compete had to come up with official policies, and often fantasy teams that included players from the Bengals or Bills were out of luck.

Underdog Fantasy is a platform that hosts various types of contests, and the outcome of its biggest ones could have been affected if the game had played all four quarters. One of the contests had $10 million in prize money, including $2 million for the winner.

"It's been an unprecedented week," Underdog said in a statement. "We appreciate all participants' patience while the NFL provided a final decision."

Josh Howell is the commissioner of a league that faced a problem with slightly lower stakes. The 38-year-old from Wichita, Kan., runs a league with a consolation bracket for the teams that miss the playoffs. The finale of it isn't exactly the Super Bowl. They call it the "Toilet Bowl." The prize for winning and finishing in seventh place: $25.

The Toilet Bowl wound up including a number of players on the Bengals and Bills, and as the commissioner Howell proposed a few different options. They could split the money, for a grand total of $12.50 each. They could decide it based on the projected performances for the players on their fantasy website. Or they could donate it to the toy fund.

The group text for the league reached a consensus: donate it.

Howell now thinks the prize for winning the Toilet Bowl every year should be a donation to a charity of the winner's choice.

"Seventh place doesn't deserve money anyway," he said.

OPINION

Joe Biden, the El Paso Kid

MAIN STREET
By William McGurn

He came. He saw. He squandered.

Joe Biden's stop in El Paso, Texas, was an opportunity to rally Congress to address the crisis on the southern border. Sunday's visit came after pleas from leaders of communities overwhelmed by the surge in migrants, including Rep. Henry Cuellar, a Democrat who represents another Texas border district. It also comes after the Democratic mayor of El Paso, Oscar Leeser, embarrassed the president in December when he issued a disaster declaration after the White House pressured him not to.

But Mr. Biden's visit is a reminder to politicians to be careful what you wish for. Up till now, the president has largely ignored the border and the press did so along with him. Those who badgered him to go were calculating that if only Mr. Biden were to come face to face with the conditions created by the large numbers crossing illegally, he would be forced to propose something serious in response. And the press would have to cover it.

But the opposite was always likely. Having checked the box his critics wanted him to check, the president can go his merry way. He has even emerged with a new line of attack on Republicans for his 2024 run for re-election.

President Biden made little effort to hide the pro-forma nature of the visit. Although he gave no public remarks in El Paso, he did speak Friday at the White House. In those remarks he outlined the modest steps he is taking to try to restore order—which had some of his left-wing critics howling about a return to the Trump-era approach. The new initiatives include an asylum app called CPB One that is designed to relieve numbers at the border by allowing migrants to schedule asylum hearings before they leave their home countries.

But the more telling feature of the president's remarks was his attempt to wash his hands of any responsibility. Yes, Republicans share responsibility for our broken immigration system going back years. But Democrats controlled Congress for the first two years of Mr. Biden's presidency, when the numbers exploded. And Mr. Biden gave the game away by peppering his remarks with words such as "hate," "extreme Republicans" and "MAGA Republicans."

The belief that a border visit would change his approach was naive. Indeed, the new immigration policies were announced *before* Mr. Biden left for El Paso.

The union representing Border Patrol agents, moreover, noted that El Paso was prettified in time for Mr. Biden's visit. Migrants who were sleeping on the streets because shelters were full were cleared out in the days before his arrival. "We suggest just landing in Des Moines, Iowa and telling him it's El Paso," the union tweeted. "He'll never know the difference."

But the surest sign that a border visit would relieve rather than increase the pressure to act was the example of Kamala Harris. When Mr. Biden tapped his vice president to run point for the White House on the "root causes" encouraging so many Central Americans to flee north, Republicans quickly tagged her the "border czar" and then relentlessly chided her for avoiding it.

It was naive to think a border visit would force the president to change his approach.

This was a strategy designed to embarrass, and it worked—up to a point. During a June 2021 interview with NBC News while Ms. Harris was in Guatemala, Lester Holt asked her point blank whether she had any plans to visit the U.S.-Mexico border.

"We've been to the border," she said three times. When Mr. Holt corrected her—"You haven't been to the border"—Ms. Harris offered up her trademark nervous giggle and then said, "I don't understand the point that you're making."

Ms. Harris's gaffe had its effect. Before the month was out, she visited the border, also at El Paso. But few noted what came next: nothing. And Ms. Harris hasn't been to the border since, nor has she been under any pressure to go.

We can expect much the same this time. For Mr. Biden's visit to have any real effect would require consistent coverage of the situation at the border—as well as the president's claim that the border chaos has nothing to do with his reversal of Mr. Trump's policies. He made that reversal without any thought of what signals he'd be sending. Now he asks Americans to believe that the problems are entirely the fault of the party that was out of power in Washington while the border unraveled.

Ask yourself: When was the last time the mainstream press challenged a Democratic president trying to blame Republicans for the bad consequences of his own policies?

Now that Mr. Biden has met his critics' challenge by going to El Paso, it's back to business as usual. All of which only further reduces the prospects for what he purports to want: a secure southern border that is part of an orderly, rational and more generous legal immigration regime.

Write to mcgurn@wsj.com.

The Peril of Ignoring the Middle East

GLOBAL VIEW
By Walter Russell Mead

As White House national security adviser Jake Sullivan prepares to visit Israel this month, he will encounter unexpected areas of strategic convergence between Israeli and American concerns. With Tehran's utter rejection of Biden administration efforts for conciliation and its wholehearted embrace of Moscow, U.S. and Israeli views of Iran have become more aligned.

But even as the strategic gap has narrowed, the moral gap is widening. The new Israeli government's positions—on settlements, the Palestinian Authority, secularism, amending the Law of Return and changing the balance of power between the Israeli Supreme Court and the Knesset—all run counter to Biden administration policy preferences as well as the deeply held social and cultural beliefs of many American liberals and Jews.

Already one Israeli minister has visited the holy site known to Muslims as the Haram Al-Sharif and to Jews as the Temple Mount. The new government has restricted the display of Palestinian flags on public land, withheld revenue from the Palestinian Authority, blocked Palestinian construction activity, and cut the travel privileges of Palestinian dignitaries. As tensions rise on the West Bank, Biden officials resent what they see as gratuitous Israeli actions that could set off another round of conflict.

Meanwhile, the entire Middle East is in flux. Higher energy prices have sent floods of cash into the region, boosting the confidence of local rulers. China is working to raise its economic and political profile in a region essential to its future. The United Arab Emirates, Turkey and Russia are looking to thwart U.S. policy in Syria, perhaps leading to the consolidation of Bashar al-Assad's regime.

The diplomatic balance is changing in other ways. The long European romance with Iran is cooling as the regime's brutality at home and its collusion with Russian aggression in Ukraine sour European hopes for profitable and peaceful relations with the mullahs. A massive scandal over alleged Qatari influence-peddling in the European Parliament has stunned the Brussels establishment and at least temporarily dented the ability of Qatari diplomats to lobby against Israel, against Israel's conservative Arab allies, and for a policy of conciliation toward Iran.

Mr. Sullivan's visit comes after a 15-year decline in America's regional influence. Israelis, Arabs, Iranians and Turks all have less respect for American power—and therefore less regard for U.S. wishes—than they did in 2008. President Obama's waffling and President Trump's incoherence left regional powers deeply skeptical about American wisdom and stability.

The Biden administration faces a real dilemma. Feeling overstretched against Russian aggression in Ukraine and Chinese ambition in the Indo-Pacific, the White House wants to minimize its exposure to the Middle East. Yet the region is too important to ignore—and the more the U.S. withdraws, the more influence it sheds. As America becomes less relevant, regional actors feel free to make more decisions that Washington dislikes, effectively undermining U.S. influence around the globe.

Without a strong Iran policy, U.S. influence will diminish, which endangers stability.

Ironically, after progressives in the U.S. spent decades denouncing America's pro-Israel bias and its antidemocratic alliances with authoritarian regimes across the region, it's precisely the Palestinians and human-rights campaigners who are the biggest losers from the American withdrawal. Weaker than the Israelis, the Palestinians desperately need outside mediators to coax concessions from Jerusalem that the Palestinians can't extract on their own. The Americans, for all their faults from a Palestinian viewpoint, have a stronger commitment to Palestinian statehood—and the Palestinian Authority—than most Arab rulers do. And human-rights and democracy activists get more space when Arab governments either fear American displeasure or hope to win Washington's support.

For now it is Saudi Arabia and the U.A.E., not the U.S., that Prime Minister Benjamin Netanyahu thinks about most as he struggles to balance the demands of his radical coalition partners with Israel's national interests. Mr. Netanyahu wants to extend the Abraham Accords, not break them, and he needs to take Arab concerns on board as he crafts his policies on settlements and the Haram al-Sharif.

If Mr. Biden wants to restore American influence in the region, he can still do so. The price, however, is what it has been for the past 15 years. A resolute and effective U.S. policy to disrupt Iran's ability to threaten its Arab neighbors—if combined with measures to ensure that Israel and its friends can, if all else fails, take military action to block Tehran's nuclear program—would put the U.S. back at the center of Middle Eastern order.

The cost of influence is high, but impotence is more expensive in the long run. If Mr. Sullivan's message to Jerusalem is that Mr. Biden is ready for serious engagement along these lines, the response in Israel and beyond will be greater attentiveness to American concerns. Otherwise, Israel and its neighbors will continue to make decisions with less concern for American interests—and the Biden administration will struggle to manage the consequences.

How Japan Kept Inflation Rates Low

By John Greenwood And Steve H. Hanke

Japan's yen traded at 115 to the U.S. dollar in January 2022. By mid-October, the yen had shed 23.3% of its value. A Financial Times headline that month identified what everyone decided was the culprit: "Fumio Kishida backs Bank of Japan's ultra-loose policy despite yen plunge." Prime Minister Kishida was supporting the Bank of Japan's policy of suppressing long-term yields on government bonds to interest rates near zero. This is the bank's much-advertised, unorthodox "yield-curve control" policy, or YCC, and it put Japan at the center of a great monetary-policy fallacy.

That policy was altered on Dec. 20, when the bank announced it was widening the trading band for government bonds. This tweak provoked reaction around the world. Was Japan, the world's largest creditor, going to abandon its ultra-loose monetary policy and take the lid off interest rates?

The question sent analysts, markets and the financial press into a tizzy. The government bonds sold off, and the yen soared. Bank of Japan Gov. Haruhiko Kuroda, however, made clear that it was only a tweak. As he put it: "This measure is not a rate hike. Adjusting the YCC does not signal the end of the YCC or an exit strategy." With that, traders calmed down and concluded that Japan's ultra-loose monetary policy would stay put.

Its monetary policy has long been ultra-tight, not ultra-loose.

But the interpretation of Japan's monetary policy as "ultra-loose" is wrong. Tokyo has endured ultra-*slow* monetary growth for decades. From the bursting of Japan's financial bubble in 1992 to the onset of Covid in 2020, the growth rate of the country's money supply has averaged an anemic 2.6% per year. Today it hovers close to that rate, at 3.1%. Accordingly, Japan's inflation rate has averaged an almost imperceptible 0.3% a year. Ultra-slow money growth has produced ultra-low inflation and ultra-low bond yields.

The commentators have clearly forgotten the quantity theory of money and Milton Friedman's dictum that "monetary policy is not about interest rates; it is about the growth rate of the quantity of money." As a result, they have fallen into the fallacy that the stance of monetary policy can be judged by interest rates alone. Based on the growth of the money supply, Japan clearly fails to qualify as ultra-loose. On the contrary, it has been ultra-tight for decades.

That tightness put Japan right where anyone using the quantity theory of money would expect: with ultra-low inflation. As Friedman said long ago, "I know of no exception to the proposition that there has been a one-to-one relation between substantial rises in prices and substantial rises in the stock of money." Recently, one of us (Mr. Hanke) completed a study of 147 countries from 1990 to 2021. The correlation between the growth rate in those countries' money supplies and inflation rates was 0.94, close to Friedman's one-to-one relation. Changes in the money supply and changes in inflation are clearly joined.

Japan's ultra-low inflation rates have been the result of ultra-tight, not "ultra-loose," monetary policy. The Bank of Japan's attraction to this fallacy has resulted in Japan's lost decades.

Mr. Greenwood is a fellow at the Johns Hopkins Institute for Applied Economics, Global Health and the Study of Business Enterprise. Mr. Hanke is a professor of applied economics at Johns Hopkins University.

BOOKSHELF | By Alex Beam

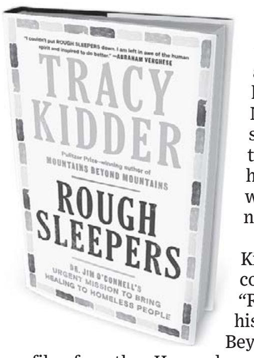
On the Streets Of Boston

Rough Sleepers

By Tracy Kidder
(Random House, 298 pages, $30)

In a memorable scene from Tracy Kidder's excellent and immersive profile of Jim O'Connell, the president of Boston's Health Care for the Homeless program, Dr. O'Connell wakes up alone, a patient in the intensive-care unit of Massachusetts General Hospital. The ICU is enforcing a strict no-visitors edict. Even his wife cannot see him.

On this morning after a pacemaker operation, Dr. O'Connell hears a familiar voice: "How ya feelin'?" It's Billy Bianchino, who camps out on the Boston streets and is a longtime beneficiary of Dr. O'Connell's program. Sneaking into the ICU was no challenge for Mr. Bianchino, one of Dr. O'Connell's "old classics"—a group that assembles most days on a tiny concrete plaza outside MGH. Dr. O'Connell has devoted his career to such people and preaches the importance of visiting patients when they are "languishing in the hospital, lonesome and afraid." Now a homeless visitor has slipped through MGH security to comfort him. Dr. O'Connell had cast his bread upon the waters, and it's floated back to nourish him.



Readers familiar with Mr. Kidder's work will make the connection between his latest, "Rough Sleepers," and one of his earlier books, "Mountains Beyond Mountains" (2003), a profile of another Harvard-sprung medical missionary, Dr. Paul Farmer, who died last year. Farmer painted on a large canvas. His creation, Partners in Health, has projects providing healthcare in developing countries all over the world. By comparison, Dr. O'Connell is a miniaturist. His patient base of 300 to 400 rough sleepers—a 19th-century Britishism for those who generally spend the night outdoors—is a "bathtub" compared to the ocean of outdoor homelessness in, say, greater Los Angeles.

When Dr. O'Connell took the job at Health Care for the Homeless in 1985, he planned to stay only a year. New York's Memorial Sloan Kettering Cancer Center had offered him a prestigious oncology fellowship and, at age 37—he had studied philosophy and taught high school before turning to medicine—it was time to jump-start his career. In his first year on the job in Boston, AIDS and a tuberculosis outbreak killed 56 rough sleepers. "No matter what they did, everyone died," Mr. Kidder writes. "The situation was appalling, the work overwhelming. And, if he was honest with himself, utterly fascinating." Dr. O'Connell never went to New York. Sloan-Kettering's loss redounded to the benefit of such colorful characters as Mr. Bianchino and the pseudonymous "Tony," an ex-con who claims, delusionally, to be Dr. O'Connell's nephew.

In 30-plus years, Dr. O'Connell's mission has changed in unexpected ways. As a young doctor ministering from a van at night, he carried a pint bottle of whiskey that he would offer his patients to assuage the symptoms of their alcohol withdrawal. "You couldn't do that now," he says. "It's become a moral issue." He also used to hand out cash on his street rounds, knowing that a few dollars might finance some needed nutrition for one of his charges. The 21st century deep-sixed that habit, too. An employee complained that Dr. O'Connell's gifts created a "hostile work environment" as patients favored him over other providers in the clinic. Most want to see Dr. O'Connell anyway. "I want to change my doctor," one nighttime denizen tells him. "I hear good things about you."

A profile of Jim O'Connell, an idiosyncratic, popular and singularly effective physician to his city's homeless population.

Choosing their doctor is one of many ironies attending what Dr. O'Connell calls "upside-down medicine" for the homeless, who receive house calls, if you will, from some of the city's best-trained doctors. And for patients who refuse medical examinations, the phrase "vital signs" has a radically different meaning: Dr. O'Connell was once taught to put away his stethoscope and start washing his patients' feet when they came to see him. "Feet were often diagnostic in themselves," Mr. Kidder writes.

Dr. O'Connell flouts many traditional practice boundaries, including fielding patient calls at home at night. "Why does Jim allow this?" one frustrated colleague asks. Good question. He's certainly not "curing" homelessness. Dr. O'Connell once believed that housing the homeless solved the problem. After finding half a dozen corpses of the formerly homeless in newly occupied apartments, Jill—his assistant at the time and later his wife—coined the phrase "death by housing." As Mr. Kidder writes: "Finding their corpses left Jim and Jill wondering if they weren't violating the physician's oath, actually harming patients by putting them in apartments." Dr. O'Connell now believes housing to be "more complicated than medicine."

He is also skeptical of grand solutions, such as ambitious plans to mitigate homelessness in cities, including Denver and San Francisco—plans that end up making the problem worse. One modest proposal: "Pay public school teachers $200,000 a year and maybe thirty years later homelessness [will] become a rarity." According to Dr. O'Connell, the most accurate indicator of someone's health is educational status. A stronger school system, he believes, would stanch "the faucet" of homelessness.

Dr. O'Connell is often reminded that he is a doctor, not a social engineer. His late friend Barbara McInnis, who was a lay member of the Dominican religious order, proved happy to interrupt his big-picture reveries. "Who are you? God?" she once asked. "Your job is to take care of that broken foot." Invited to ruminate on the "problem of homelessness," McInnis would answer: "Stop torturing me with what society isn't about to do. Let's just do the best we can right now and take care of these folks."

The suffering abides and the work is its own reward. Which is not to say that Dr. O'Connell's mission hasn't improved life for the homeless. In the early years of the program, Mr. Kidder writes, "there were bodies on the pavement [with] illnesses that American doctors knew only from textbooks—including wounds full of maggots and even a case of scurvy." Now, Dr. O'Connell says, "it's mostly diabetes and hypertension. I think it's something to celebrate."

Dr. O'Connell feels "the satisfaction all craftsmen feel in practicing their trades well," Mr. Kidder concludes. The sure-handed narrator Mr. Kidder must feel this satisfaction, too.

Mr. Beam's latest book is "Broken Glass: Mies van der Rohe, Edith Farnsworth, and the Fight Over a Modernist Masterpiece."

REVIEW & OUTLOOK

Where Are the Next Covid Treatments?

Biden's bureaucracy is an obstacle, as vaccine immunity ebbs.

The worst of the Covid pandemic is over, but danger persists as new virus variants spread that may evade current vaccines and antibody treatments. Yet the Biden Administration is foot-dragging on treatment development and approvals needed to save lives.

The Administration wants Americans to get bivalent booster shots that target the BA.4/5 variants. While these Omicron descendants predominated over the summer and early fall, they have been overtaken in much of the U.S. by new variants that dodge antibodies from boosters, prior infection and monoclonal treatments.

* * *

The Administration's response has been to implore doctors to prescribe the antiviral Paxlovid. But many patients at highest risk for Covid can't take the Pfizer drug because they have medical conditions or take drugs that could cause life-threatening interactions. One study found that half of hospitalized patients who die from Covid have a contraindication with Paxlovid. Some patients can temporarily stop taking other medications, but many can't or would need to be weaned off them.

The FDA has authorized convalescent plasma for the immuno-compromised, but it is rarely administered because the National Institutes of Health's clinical guidelines say there's "insufficient evidence" to recommend it.

But studies have shown substantial benefit from a high-dose treatment when administered shortly after symptoms develop. The NIH and Defense Department helped fund a randomized controlled trial that found convalescent plasma reduced the risk of hospitalization by some 80% when given to patients within five days of symptom onset. Why bother funding studies if NIH ignores the results?

NIH's resistance to convalescent plasma has perplexed some of the country's top immunologists, who wrote to the agency last month pointing out its "logically inconsistent" position since it has recommended monoclonal antibodies based on much less evidence. Convalescent plasma "has virtually no contraindications," "neutralizes the latest variants, adapts to the rapidly-evolving virus, and is desperately needed for immunocompromised patients," the letter noted.

* * *

The Biden health bureaucracy's foot-dragging and confusing standards are also impeding new treatments. One example is the Food and Drug Administration's refusal to consider an emergency-use authorization for a treatment called peginterferon lambda developed by the biotech company Eiger BioPharmaceuticals.

Peginterferon lambda stimulates the innate immune response, which is the body's frontline defense against viral infections. Covid is dangerous in part because it blunts the body's natural interferon response. Studies have found that healthy people who become severely ill with Covid harbor genetic mutations that impair their interferon response.

A large controlled trial found peginterferon lambda reduced the risk of hospitalization by 65% when given to patients within three days of symptoms and hospitalization, or death by 89% in unvaccinated patients—about the same as Paxlovid. The drug also has broad-spectrum antiviral impact that could make it effective against the flu, norovirus and other viruses.

Even the NIH noted this summer that "interferon treatment may improve COVID-19 outcomes," especially in patients with certain genetic factors that impair their ability to clear viral infections. Yet Eiger says it was told by the FDA this fall that its trial results were unlikely to meet the agency's standards for an emergency-use authorization "in the current context of the pandemic."

The FDA suggested Eiger perform another large trial and eventually apply for regular approval. In other words, the FDA thinks Covid no longer represents an emergency—at least for authorizing new treatments. Yet in late August the agency authorized bivalent boosters for emergency use without any evidence from clinical trials.

Drug makers, researchers and healthcare providers have expressed exasperation with the Biden health bureaucracy. Numerous biotech startups are developing Covid antivirals, but the FDA has insisted their drugs be tested against the standard of care—meaning Paxlovid. But they say Pfizer won't give them access to its drug to run trials.

Biotech companies working on monoclonal antibodies for immuno-compromised patients are also urging the FDA to authorize treatments based on smaller trials and lab tests such as those that the agency used to authorize vaccines for children. "We're racing against the clock here," a Regeneron official last month pleaded to the FDA. Robert Califf, the FDA chief, has been a great disappointment.

* * *

The Administration might not feel the urgency to advance new treatments because its allies in public health and the media focus almost exclusively on vaccines. While the mRNA vaccines have reduced severe illness, their benefits have diminished with the evolving variants.

Biden officials blame Republicans in Congress, as they always do, but the Administration somehow found a way to repurpose some $5 billion from past Covid bills for bivalent boosters. Democrats ran Congress for two years. Why didn't they appropriate more money for treatments?

We hope political hostility to the pharmaceutical industry isn't deterring the collaboration that led to vaccine breakthroughs. As immunity ebbs, Americans are going to need more Covid treatments—and soon.

Putting the IRS on Notice

What a difference a new majority makes. As their first legislative act as soon as Monday evening, House Republicans were set to rescind most of the $80 billion that Democrats passed last year to add 87,000 new Internal Revenue Service employees. The bill won't get through the Democratic Senate, but it's an important statement that the GOP is on the side of taxpayers.

The Congressional Budget Office said last year that super-sizing the IRS would mean countless new audits across the income spectrum, including those making less than $400,000 a year. There aren't enough rich people to squeeze with audits, and they hire lawyers and accountants. (See Donald J. Trump, tax returns of.) Bills of this sort forecast an agenda for 2025 if Republicans win Congress and the White House in 2024.

Meanwhile, the House GOP Steering Committee chose Missouri Rep. Jason Smith to lead the Ways and Means Committee, the main House economic policy shop. Mr. Smith replaces the estimable Kevin Brady, who retired having navigated the 2017 tax reform through Congress. Mr. Brady understood the importance of economic growth to job creation and higher wages, and Mr. Smith is more of a blank slate.

Most House Republicans these days care more about cultural issues than they do the economy. But if there's a recession this year or next, voters will want to know if Republicans have a recovery agenda. We'll see if Mr. Smith has one.

Brazil Gets a Democracy Test

Political leaders across the spectrum denounce riots in Brasilia.

Riot police beat back the mobs who stormed Brazil's Congress and Supreme Court on Sunday, and the near-universal denunciation of the rioters is a welcome sign of democratic resilience. An equal test will be how well the country's political leaders and courts handle the fallout.

Government offices in Brasilia were largely empty, and President Luiz Inácio da Silva, known as Lula, was traveling. Police had mostly restored order by Sunday evening, but not before the vandals did considerable damage.

Thousands of supporters of former President Jair Bolsonaro have been demonstrating near military bases since Mr. da Silva was declared the narrow winner of the Oct. 30 runoff election. They want the military to stage a coup. The Sunday rioters seemed to be somewhat organized but with no clear idea of what they'd do if they controlled the offices. Brasilia's security forces need to explain why the capital wasn't better protected.

The good news is that military leaders have shown no inclination to intervene, and Lula's inauguration on Jan. 1 was uneventful. The most important figures on the Brazilian right have accepted the election result and denounced the riot.

Tarcísio Gomes de Freitas, the new governor of Brazil's largest state, São Paulo—and a former minister of infrastructure for Mr. Bolsonaro—wrote on Twitter Sunday that "Demonstrations lose legitimacy and reason from the moment there is violence, depredation or curtailment of rights." He added that "debate must be about ideas and the opposition must be responsible, pointing out directions," and violence can't be tolerated.

Romeu Zema, governor of the state of Minas Gerais, offered similar sentiments: "In any manifestation, respect must prevail. The vandalism that occurred today in Brasilia is unacceptable. Freedom of expression cannot be mixed with depredation of public bodies. In the end, who will pay will be all of us."

Mr. Bolsonaro, who was in Florida at the time of the riot, also criticized the violence. He had instructed his government to cooperate with the transition, though he never gave a concession speech, even as his supporters continued to demonstrate. The assault by his supporters will damage his legacy.

Lula has vowed to investigate the riot and those who supported it. But an equal test for his government will be whether it respects the right of peaceful dissent and the opposition even as it prosecutes law-breakers.

The riots will discredit the radical right, but some in Lula's Workers' Party will want to use the event to indict the entire opposition. The Supreme Court, which tried to control political speech during the election, also bears watching for politicized rulings. Defending against violence is one test of democratic institutions but another is not abusing the law to stifle or punish legitimate debate.

LETTERS TO THE EDITOR

Jamie Dimon's Platitudes Won't Change U.S.

In the U.S., we have some of the most successful companies in the world, run by some of the most talented and gifted CEOs. I often wonder if some of these leaders might run for political office. In "The West Needs America's Leadership," Jamie Dimon presents a template for American directions, both politically and economically (op-ed, Jan. 4). It reads like a State of the Union address with which both Democrats and Republicans could agree.

It was soothing to read a comprehensive plan that has something for everyone. CEOs are used to running large corporations with clear goals. They don't leave their stated goals at the door when installed like some of our politicians do.

The dilemma for these obviously qualified individuals to run for office is the malicious nature of the political process. One needs thick skin to endure, and it certainly isn't as lucrative as running a Wall Street empire. But wouldn't it be nice to install a leader who can meet goals without alienating those with whom he must work? The first step would be deciding whether he should run as a Democrat or Republican.

Stephen Horwitz
Bethesda, Md.

Mr. Dimon's action items for America are lofty but unrealistic. Given the current political climate and upheaval in our country, I find it almost comical for him to lay out these goals, as if we could snap our fingers and swiftly accomplish them.

Like millions of other Americans, I share the same fear and insecurity about the ability of the U.S. to keep the peace and lead the world. If we cannot lead ourselves, how on earth can we possibly lead the West?

If our elected leaders could only see the real harm that their divisiveness is causing to America's psyche, perhaps they would choose to behave differently and work together to soothe the fraying nerves of this great country.

Mark Minich
Potomac, Md.

Few CEOs have the well-deserved reputation of JP Morgan Chase & Co.'s Jamie Dimon. But, frankly, his op-ed was disappointing because it stressed platitudes over actions that would inspire the leadership that is so lacking in America today.

Who can disagree with Mr. Dimon's admonitions for rededicating ourselves to the qualities and principles that made America great, increasing military spending, and recovering economic dynamism. Each is a worthy goal, as is "dealing with China thoughtfully and without fear." But how is each to be achieved?

Understanding the many problems is not the problem. Taking effective action is.

When asked what policy changes he would make in 2023, President Biden said "nothing." We need specific ideas and plans.

Harlan Ullman
Senior adviser, Atlantic Council
Washington

DeSantis Flubs Insurance Reform in Florida

I am a big fan of Gov. Ron DeSantis, but he dropped the ball when he signed the recent legislation regarding homeowner property insurance ("Ron DeSantis Heads Off a Bailout," Review & Outlook, Dec. 30). I was a trial lawyer, mediator and arbitrator for over 50 years. Many insurers look for every excuse to deny claims or offer settlements below the cost of legitimate repairs. Many homeowners facing this response walk away from their claim or settle for less than they are entitled to under their policies. Others seek legal counsel.

Because the facts usually support the claim, a lawsuit is filed and the insured wins in court. This triggers the claim for attorney fees and court costs. These court filings aren't frivolous lawsuits. Florida has laws that severely penalize litigants of frivolous lawsuits.

Without the ability to recover attorney fees, the insured won't be able to hire a lawyer to handle their case, leaving the insured to the mercy of the insurance carrier. Eliminating the assignment of benefits is a good thing; eliminating the recovery of legal fees isn't. Let the court system decide what are legitimate charges, with the nonprevailing party responsible for the prevailing party's legal fees and court costs. If property-insurance carriers in Florida want to reduce litigation costs, they should deal fairly with their insured.

Anthony J. Titone
Parkland, Fla.

Win-Win Can Only Happen for Some Policies

Gerard Baker recommends that we dial back from absolutism and self-righteousness in 2023 and work to eradicate the binary mind-set that overlooks win-win solutions to problems ("New Year's Can Be Humbling. Resolve to Keep It That Way," Free Expression, Jan. 3). An example he cites is that "America is a flawed country . . . but also that it remains better than any other country."

Unfortunately, that lesson isn't taught in most schools. The message is often that the U.S. was born in sin, grew fat on slave labor and capitalist exploitation, remains hopelessly racist, and has no reason to consider itself better than any other country.

Compromises can be made on tax policy, government spending and election rules, but it is in moral matters where relativism and humility are severely tested. There was no middle ground on slavery. The left was apoplectic that the Supreme Court returned abortion policy to the states. Gender-identity discussions in elementary- or middle-school classrooms don't lend themselves to win-win. Can we meet in the middle on what preteens are taught about gender or is it a binary choice?

Terry Anderson
Orlando, Fla.

How the Author of 'Roots' Helped Me at a Book Signing

It was heartwarming to read about Henry Winkler's supportive advice for a first-time author ("It's Hard to Write a Book, Harder to Get People to the Book Signing," Page One, Jan. 3). What a mensch!

Some years back when my first novel came out, I was thrilled to be included at a major book conference, and even more thrilled when I saw the long line snaking toward my table—until I realized that Alex Haley was sitting right next to me. He must have seen my dejected expression because the next thing I knew, the author of "Roots" was pushing his table closer to mine. "I'll see if I can direct some traffic your way," he whispered with a smile, reaching for my pile of signed books. I left that conference with every book sold—and my own autographed copy of "Roots."

Mary E. Ryan
Seattle

Logic Lacking on Tick Sizes

Joe Mecane of Citadel Securities in "A Fraction of a Cent Can Add Up to Millions" asserts that "the creation of arbitrarily small tick sizes will meaningfully reduce visible liquidity, fuel investor panic in turbulent markets and make it harder for companies to raise capital" (op-ed, Dec. 29). He adds that "the ability to trade without causing price volatility will fall precipitously." No evidence or logic is presented to support these assertions, leaving a reader no wiser after reading his piece.

Ron Alban
Ashville, Ohio

Everything Is an Experience

Brenda Cronin was spot-on with her summary of how companies try to make every service they offer an experience ("Is Experience Always Necessary?," op-ed, Jan. 4).

After more than 30 years in brand marketing and research, I now develop the Xs: CX (customer experience), UX (user experience), even EX (employee experience). This inflation of language came to a head when one client wanted "human-centered design," after which I had to ask myself, "If I have not been designing products for humans all these years, for whom have I been designing them?"

Bruce Peoples
Roswell, Ga.

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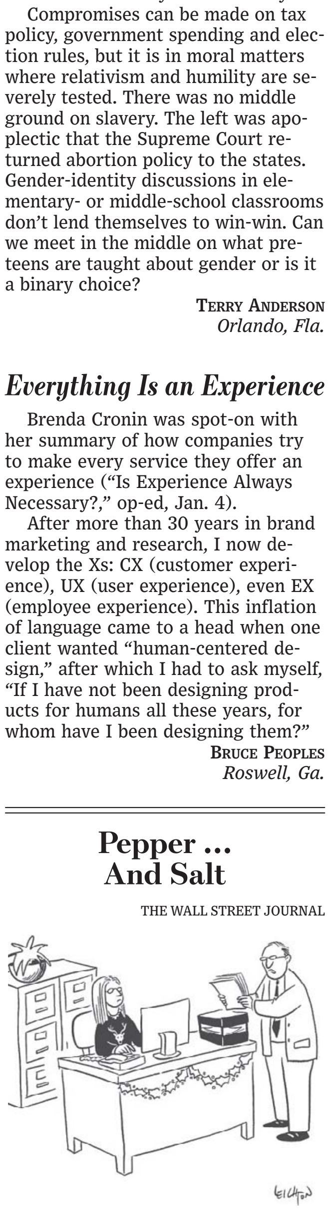
Pepper ... And Salt

THE WALL STREET JOURNAL



"It's not a wonderful life any more. It's January."

OPINION

Entrepreneurship Will Lift Minorities Up

By Bernie Marcus

No one has seen entrepreneurship help minorities improve their economic circumstances more than I have—and that's not only because I'm 93.

I saw the power of entrepreneurship firsthand after co-founding the Home Depot. My experiences led me to believe that preserving and expanding entrepreneurship is the key to advancing racial and economic equality.

Big government is a far heavier burden to those who start out without privileges and advantages.

Entrepreneurship offers all Americans, no matter their background, a way to achieve financial independence and the American Dream. Entrepreneurship rewards goods and services that the market values independent of the financial resources, SAT scores or personal pedigrees of the people selling them.

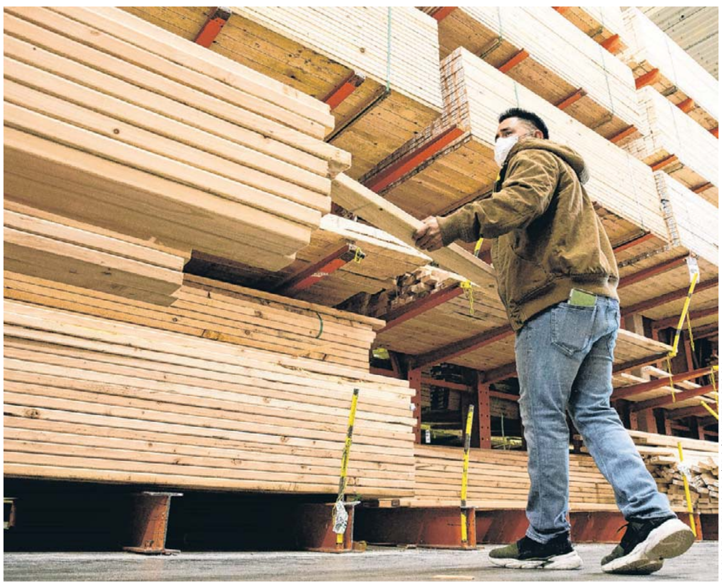
I didn't start out in the home-improvement industry. I worked my way up the corporate ladder only to be fired by a capricious boss. When I found myself unemployed at 49, I had every reason to be bitter. But I turned to entrepreneurship, which made my life's second act far better than I could have imagined.

With almost no money, I had the idea to open a hardware store, a lumberyard and a garden store all in one. What began as a single store in Georgia grew to more than 2,000 locations nationwide and made me a billionaire in the process. Only in America could a member of an ethnic minority from a poor immigrant family write that kind of success story.

The financial rewards pale in comparison to the emotional rewards of seeing my company help others become financially independent through entrepreneurship. The Home Depot democratized the home-improvement, landscaping and building trades so that anyone willing to work up a sweat and learn some basic skills could immediately start a sole proprietorship or small business serving some of the nation's 80 million homeowners.

You can see the entrepreneurs driving around town in their trucks full of tools and material. Many of them are minorities. They don't consider themselves victims of racial wealth or income gaps; they are actively overcoming economic disparities through work.

That isn't happening only in building and landscaping. In almost every part of the economy, you'll find entrepreneurial minorities breaking through difficult circumstances to achieve and live the American Dream. Accelerating this process is the key to bridging the country's economic divides.



Shopping for lumber at Home Depot.

MICHAEL REYNOLDS/EPA/SHUTTERSTOCK

Unfortunately, government is moving in the wrong direction, erecting hurdles to entrepreneurship. My company wouldn't have succeeded if it had started in today's climate of regulations and taxes that disproportionately burden small businesses. The Home Depot almost went bankrupt several times in its first decade, and today's policy environment would have tipped us into insolvency—as it does to countless entrepreneurs each year.

The biggest victims of bad government policy aren't the elite; they will always be able to get into good schools and get their foot in the door of corporate America. The people hurt most by big government are those who lack advantages in becoming economically independent, often minorities.

"Freedom is a fragile thing and it's never more than one generation away from extinction," Ronald Reagan said in 1967. "It is not ours by way of inheritance; it must be fought for and defended constantly by each generation, for it comes only once to a people."

Celebrating the stories and successes of minority entrepreneurs can generate the public support needed to defend the free-market economy against big-government threats. These ordinary entrepreneurs are the heroes of modern-day America, even if they are frequently treated as villains by government officials who siphon their resources to fund their latest social-policy aims.

Americans should treat minority entrepreneurs with the respect they deserve and consider how bad public policy prevents them from surviving and thriving. A newfound respect for minority entrepreneurs, who have done so much with so little, can provide the societal foundation needed to ensure the next generation of Home Depots. It can lay the groundwork for even more minority entrepreneurship success stories than I've seen in my lifetime.

Entrepreneurship is freedom. By defending the former, we can preserve the latter for generations.

Mr. Marcus is the retired co-founder of the Home Depot and founder of Job Creators Network. This essay is adapted from his foreword to the new book "The Real Race Revolutionaries: How Minority Entrepreneurship Can Overcome America's Racial and Economic Divides" by Alfredo Ortiz.

Disorganized Republicans and Other Signs of the Great Inversion

FREE EXPRESSION
By Gerard Baker

We live in a political age we might call the Great Inversion.

In not much more than a generation, virtually all the protagonists, values and identities of ideological competition have swapped places.

Not very long ago, college-educated professionals voted for Republicans in vast numbers, while blue-collar workers picked Democrats. Now a college degree is the most reliable indicator of Democratic preference; the proletariat is dependably Republican. Liberals used to be passionate defenders of free speech; now progressives seek to shut down dissent wherever they find it. The left once regarded domestic intelligence agencies as a threat to democracy and individual freedom; now they embrace them as essential weapons against their domestic adversaries, whom they accuse of "misinformation" and "sedition." Democrats were traditionally suspicious of and hostile to big business. Now, on issue after issue—climate alarmism, "diversity," the virtues of a borderless world—they are tightly aligned.

The GOP is the party of the working class; the left opposes free speech. Everything is topsy-turvy.

The most consequential inversion of all may be the switch the two main parties have made in their approach to governing.

Will Rogers is credited with the line: "I'm not a member of any organized political party. I'm a Democrat." For decades this was no joke. For the left, ideological purism was always more important than the messy, tedious, compromise-tainted business of actually governing. Progressives tore themselves apart in a constant struggle that repeatedly pitted the perfect against the merely good.

Republicans, like conservatives the world over, have traditionally tended to favor pragmatism over purity. For them, Benjamin Disraeli's dictum was paramount: "Damn your principles. Stick to your party!"

There were intramural fights, vicious at times. There were significant ideological shifts. But the categorical imperative of politics—governing—generally prevailed. It's no accident that for 28 of the 40 years between 1953 and 1993, Republicans were in the White House.

Today, the Democratic Party may be the most ruthlessly organized and efficient political entity in the world—and I include the Chinese Communist Party. Xi Jinping probably looks across the Pacific with envy at the iron party solidarity over which House Minority Leader Hakeem Jeffries presides.

The Democrats took a 50-50 nation in 2020, after a contentious election won by the narrowest of margins primarily because just enough voters saw them as the lesser evil, and seized the opportunity to advance one of the most ambitious agendas of any government in recent history: trillions of additional dollars in federal spending, expanded regulation, the steady erosion of the national border, accelerated conversion of the nation's energy production to costly green sources, and a relentless, intensifying war on traditional culture and values.

We can denounce the activism and deplore the outcome, but we can only marvel at the political efficiency with which it has been achieved.

Democrats have been demonstrating this impressive willingness to band together for some time. They have taken Ronald Reagan's 11th Commandment and turned it into Nancy Pelosi's First Law.

In 2009 and 2010 many of them voted for ObamaCare well aware that it could cost them their political futures. Like kamikaze pilots cheerfully climbing up into their Zero fighters at dawn, they knew they had an obligation larger than their own survival, a duty that superseded their doubts.

Joe Biden will shortly announce his candidacy for the Democratic nomination. Despite his age, his evident cognitive decline and the risk of an accident that results in President Kamala Harris, and even if by this time next year the U.S. economy is mired in recession, he will be re-nominated by acclamation. This will be no 1968 or 1976 for the incumbent.

The Republicans meanwhile, are about to embark on yet another orgy of self-mutilation, one that may make last week's Grand Guignol in the House look positively amicable.

Republicans need to get a grip—and fast—or they, and we, are going to lose the ability to halt this country's march to the left for a decade or more. The lessons of history couldn't be clearer. Divided parties lose elections. Parties that indulge their most unrepresentative dogmatists alienate the rest. Parties that put ideological purity over governing become neither ideologically pure nor any longer in government.

This isn't to deny that a fight over principle is in many ways admirable, or that the fissiparous tendencies demonstrated by conservatives in the last few years have been driven by big, important changes in wider political and social conditions.

But don't think the spectacle—the reality—of a political party that places a higher priority on its own internal purification doesn't have real world consequences.

In another example of our modern political inversion, some on the right defending their performance last week sounded uncannily like some Democrats who ripped each other limb from limb at their 1968 presidential nominating convention. Open debate is democracy at work! Principle is passion! Leadership demands accountability!.

All true. But as I watched the spectacle unfold on C-Span's briefly liberated cameras, I couldn't help but be reminded of the observation of the French general who watched the British immolate themselves in the charge of the light brigade at the Battle of Balaclava in 1854.

It's magnificent, he said, but it isn't war.

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A MESSAGE FROM AMERICA'S HOSPITALS & HEALTH SYSTEMS

340B Drug Pricing Program Helps Advance Health for Patients and Communities

For 30 years, the 340B drug pricing program has helped eligible hospitals offer a wide range of important programs and services that benefit patients and advance health within their communities.

The 340B program, which enjoys strong bipartisan support, requires drug companies to sell certain drugs to eligible hospitals at the same discount at which they sell to the government. It is funded through drug company discounts — not taxpayer dollars —and it makes a big difference in vulnerable communities across the country.

Many of the programs and services 340B helps hospitals provide may not be possible without the program. Examples of the 340B program expanding access to care include:

- 340B helps Meadville Medical Center in Pennsylvania offer oncology, dental and behavioral health services at their rural health clinics.
- 340B helps Mount Carmel Health System in Ohio offer Street Medicine, which provides free urgent medical care to underinsured or uninsured community members.
- 340B helps Johns Hopkins Hospital in Maryland provide low-income patients with free and discounted outpatient drugs and other services, including telephone consultations, home visits and transportation services.

These are just a few examples. Each 340B hospital has its own story on how the program is making a measurable difference in its community. In 2019 alone, the most recent year for which this information is available, tax-exempt 340B hospitals provided nearly $68 billion in total benefits to their communities.

Although the program is working as Congress intended — "to stretch scarce federal resources as far as possible, reaching more eligible patients and providing

Rick Pollack
President and CEO American Hospital Association

more comprehensive services" — drug companies continue to attack the program because it eats into their bottom line.

Many drug companies are making record profits while drug prices skyrocket, putting even more pressure on patients and the medical providers who care for them.

- According to a Kaiser Family Foundation report, half of all drugs covered by Medicare experienced drug price increases greater than the rate of inflation between 2019 and 2020.
- In addition, a report from Kaufman Hall showed that hospitals' drug expenses increased 37% on a per patient basis between 2019 and 2021.

Factors that have contributed to the growth of the 340B program include the rising costs of drugs, which are solely set by drug companies; Congress expanding the number of hospitals eligible for the program, including to children's hospitals, cancer centers and hospitals in rural areas; and changes in reporting requirements that increase the number of sites where 340B drugs are prescribed.

Other factors include the increased use of outpatient care across the health care field, as well as the increased need for expensive specialty drugs that are often used to treat complex and chronic conditions, like certain cancers and autoimmune diseases.

As drug prices continue to rise, 340B continues to be essential in helping hospitals expand access to comprehensive health services, including lifesaving prescription drugs for those who need them but may not be able to afford them.

It is in the best interest of all to keep the 340B program strong so that our nation's patients and communities can continue to receive the high-quality care and services on which they depend.

American Hospital Association
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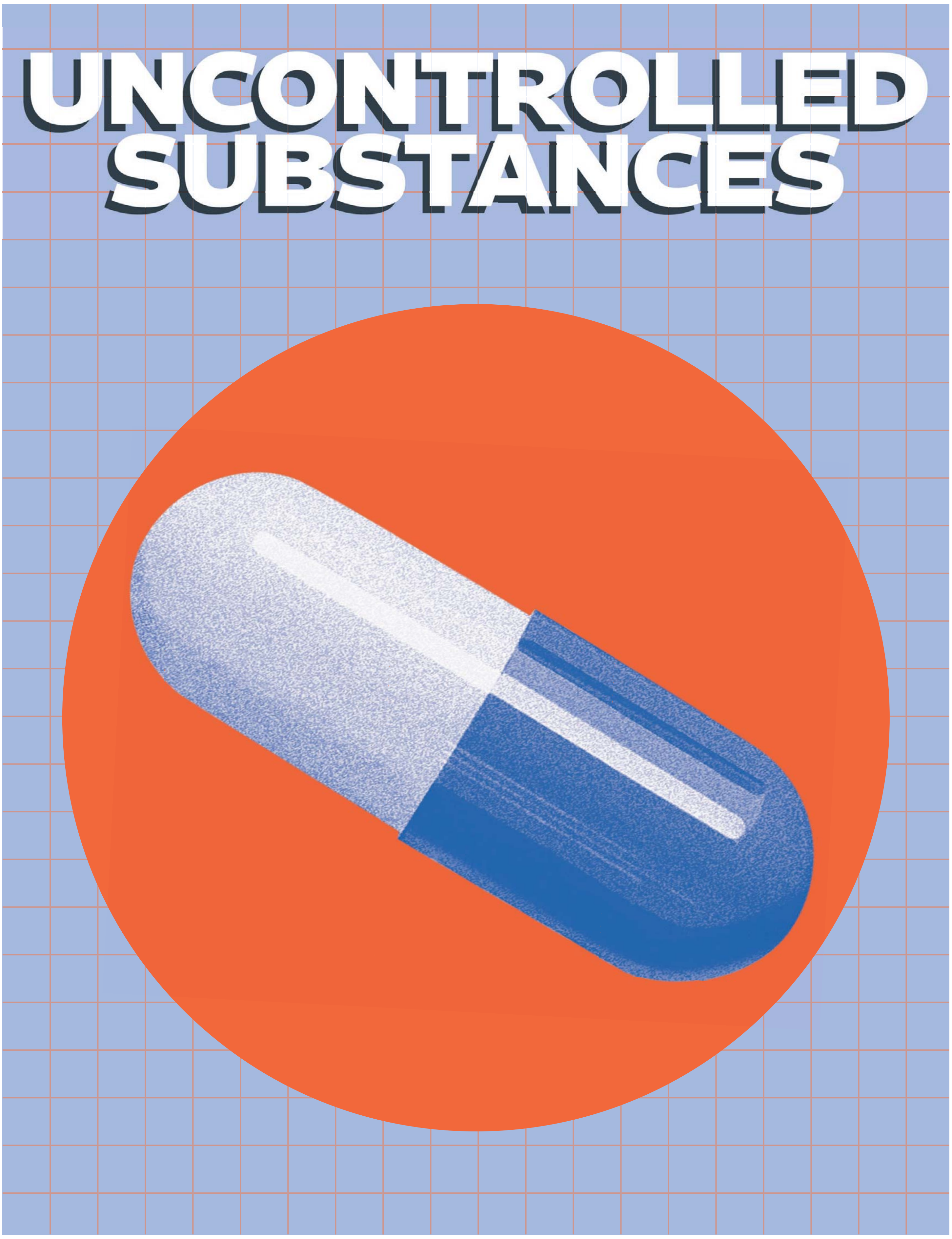

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TECHNOLOGY: DELIVERY STARTUP WONDER SCALES BACK B4

BUSINESS & FINANCE

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Large Pension Presses Southwest

State fund, a shareholder, questions how carrier will avoid future meltdowns

By Andrew Tangel And Alison Sider

Southwest Airlines Co.'s holiday meltdown has drawn the attention of a large public pension system with a history of shareholder activism.

New York State Comptroller Thomas DiNapoli, who oversees the state's pension system, has asked the Dallas-based carrier how it will prevent another widespread operations failure and rebuild trust with the flying public and its own employees.

"Clearly this crisis has resulted in profound customer dissatisfaction and is expected to generate significant costs to the company," Mr. DiNapoli, a Democrat, said in a letter Friday to Southwest Chief Executive Bob Jordan.

A Southwest spokeswoman said Monday that the airline received the Jan. 6 letter and is responding to the comptroller's office. She said the airline has taken immediate actions to mitigate the risk of another disruption and is reprioritizing work that was already under way to improve crew scheduling platforms.

Mr. Jordan told employees in a message Monday that the airline is working to understand what went wrong and prevent similar upsets in the future.

"While we will have disruptions in the future, all airlines do. We can never, never have an event of this magnitude again," he said.

Mr. DiNapoli said in an interview Monday the airline's response to the meltdown has so far been inadequate but it was too soon to say whether his office would take further action beyond requesting details about Southwest's plan to make long-lasting fixes to its operations.

"Southwest has always enjoyed a strong reputation," Mr. DiNapoli said. "This is such a catastrophic turn of events, it's obviously shaken a great deal of that confidence and loyalty."

New York's state pension system owned $17.6 million worth of Southwest stock as of Sept. 30, according to a securities filing. The stake accounts for 0.10% of the company's shares outstanding, according to FactSet.

Southwest said it canceled over 16,700 flights from Dec. 21 through Dec. 31, likely wiping out its anticipated fourth quarter profit and reducing pretax income by $725 million to $825 million during the fourth quarter. The airline now expects to book a loss during the quarter when it reports earnings later this month. The airline has said that the severity and breadth of a severe winter storm that swept across much of the country before Christmas overwhelmed

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FTX Founder's Lawyers Are Tested In Battle

By James Fanelli And Corinne Ramey

A pair of attorneys defending FTX founder Sam Bankman-Fried against one of the biggest white-collar prosecutions in decades are veterans of high-profile cases, including ones involving drug lord El Chapo and disgraced socialite Ghislaine Maxwell.

Mark Cohen and Christian Everdell, former federal prosecutors who are now partners in the New York-based boutique firm Cohen & Gresser, are known for an unflashy, roll-up-their-sleeves style to cases, with a meticulous and persistent approach to building a defense, lawyers who know the men say. The pair are up against hard-charging Justice Department lawyers who moved quickly to indict Mr. Bankman-Fried after FTX's collapse and secured two of his former top lieutenants as cooperating witnesses.

"The swiftness of charging coupled with the cooperators that emerged suggests this is an uphill battle for them," said Jennifer Rodgers, a former Manhattan colleague of Mr. Everdell's in the U.S. attorney's office who praised his work there.

The Manhattan U.S. attorney's office this past month charged Mr. Bankman-Fried with stealing billions of dollars from FTX customers, while misleading investors and lenders connected to his crypto-trading firm Alameda Research. He faces charges of fraud, conspiracy, money laundering and campaign-finance violations and pleaded not guilty last week. The demise of FTX and its impact on other spiraling crypto platforms has made Mr. Bankman-Fried one of the most high-profile white-collar criminal defendants in recent history.

Lawyers from Paul, Weiss, Rifkind, Wharton & Garrison LLP had been advising Mr. Bankman-Fried before the federal charges, but because of a conflict they referred him to Mr. Cohen, according to people familiar with the matter.

Messrs. Cohen, 59 years old, and Everdell, 48, have already navigated their client through a thorny extradition from the

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Foreign Investors Wary of Jumping Back Into China

By Rebecca Feng

Market strategists say the stars are aligned in 2023 for Chinese assets to stage a comeback—but a return of foreign capital may take longer.

Foreign investors have pulled more than $100 billion out of China's bond market since February, according to two major Chinese clearinghouses. They have also slowed their investments in the country's stock market. Foreign institutions bought a net $13 billion of yuan-denominated shares last year via a Hong Kong stock-trading link, down sharply from $63 billion in 2021.

Many international investors sold Chinese assets after Russia invaded Ukraine, fearing Beijing's close ties to Moscow might lead to U.S. sanctions on Chinese entities. They were also deterred by China's strict zero-Covid policy, which hampered economic growth. The yuan also weakened significantly last year against the dollar.

Some of those concerns have since been addressed—near the end of last year, China's government lifted most of its pandemic restrictions, said it would refocus on growth and unveiled a rescue plan for its beleaguered property sector.

That doesn't mean foreign investors will rush back in. The Chinese government's abrupt changes to key policies have made some more nervous—and led to missed opportunities.

The rapid policy loosening caused a rally in Chinese stocks after a year of declines, making it difficult for many long-only investors to make their investment decisions, said Hugues Rialan, chief investment officer for Asia at Pictet Wealth Management.

"It takes time to adjust to new situations, but the market was moving very, very fast," Mr. Rialan said.

"Most foreign investors are still asking whether they

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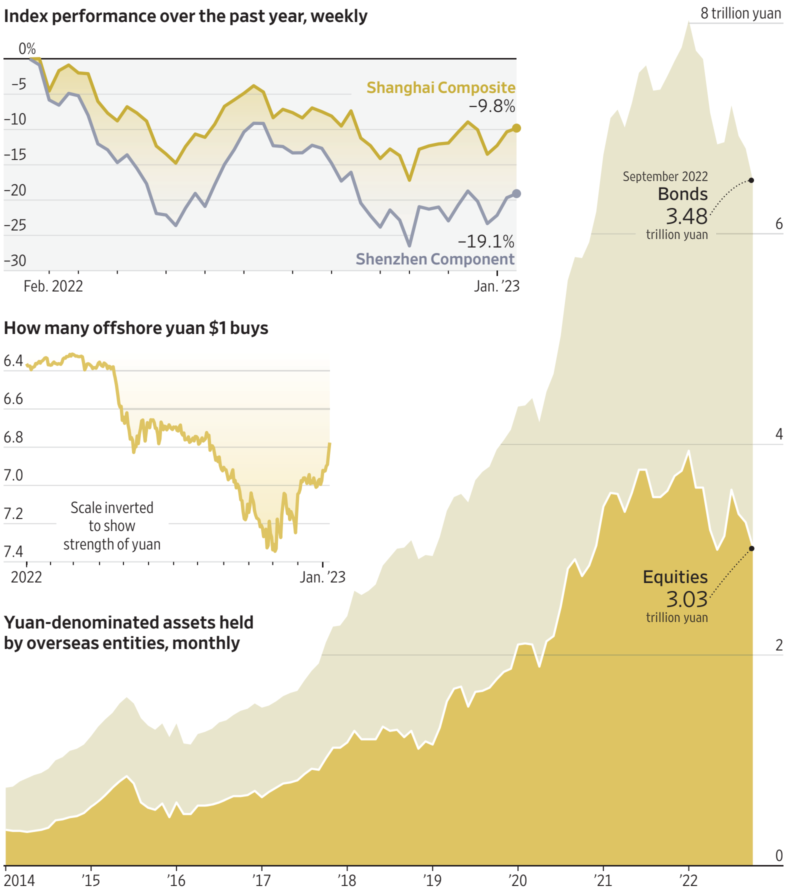

Note: 1 trillion yuan=$146.2 billion

Sources: FactSet (performance); Tullett Prebon (currency); People's Bank of China, Wind (assets)

Dow, S&P Lose Steam on Fed Policy Worries

By Joe Wallace And Jack Pitcher

Stocks pared some of their early gains Monday, with investors still weighing bets about whether the Federal Reserve might dial back its aggressive pace of increases in interest rates.

The S&P 500 fell 2.99 points, or 0.1%, to 3892.09, after rising as much as 1.4% in morning trading. The benchmark index jumped 2.3% Friday after the monthly jobs report pointed to a slowdown in wage growth.

The Dow Jones Industrial Average dropped 112.96 points, or 0.3%, to 33517.65. The tech-focused Nasdaq Composite rose 66.36 points, or 0.6%, to 10635.65.

Stock markets around the world have started 2023 on a positive footing, driven by signs that inflation is abating in the U.S. and Europe. Investors hope that this slowdown will encourage central banks to raise interest rates in smaller increments.

But money managers say the Fed and other central banks will want to see a sustained decline in inflation before they consider pausing efforts to tighten monetary policy. Prices for goods and services beyond volatile food and energy markets continue to grow too fast for comfort at the Fed and European Central Bank, investors say.

"In 2023, we'll need to see almost all numbers pointing in the right direction to maintain this rally," said Edward Park, chief investment officer at Brooks Macdonald. Another risk is that an expected slowdown in the economy turns into a nasty recession, Mr. Park added.

This week, earnings season picks up speed with JPMorgan Chase and Bank of America due to report Friday.

Bed Bath & Beyond surged 31 cents, or 24%, to $1.62 in another bout of wild trading for the company's shares. The firm is preparing to file for bank-

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TPG to Muster Funds For Solar Panel Startup

By Ben Dummett

Enpal GmbH is close to raising new funds from a group of investors led by U.S. private-equity firm **TPG** Inc., in a deal that values the closely held German solar-panel company at $2.4 billion, according to people familiar with the matter.

A deal, assuming it is completed, is expected to be announced sometime this week, the people said. It would offer more evidence of how cuts to natural-gas supplies from Russia are accelerating the adoption of solar power and other clean-energy sources as alternatives to fossil fuels.

Enpal, founded in 2017, rents out solar-power systems

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DAVID PAUL MORRIS/BLOOMBERG NEWS

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Lululemon Warns on Profit Margins

By Suzanne Kapner

Big holiday crowds didn't translate into the big profit that Wall Street was expecting out of **Lululemon Athletica** Inc.

The yoga-pants maker's shares tumbled 9.3% on Monday after the company warned that its profit margins would narrow in the quarter ending Jan. 29 and set earnings targets below what Wall Street had expected from the brand.

Lululemon's warning came after department-store chain **Macy's** Inc. had cautioned that fourth-quarter sales would be at the low-to-midpoint of its guided range. Macy's Chief Executive Jeff Gennette said Friday that the lulls of the nonpeak holiday weeks were deeper than the company had anticipated.

Not all apparel chains struggled during the holiday season. On Monday, **American Eagle Outfitters** Inc. and **Abercrombie & Fitch** Co. said fourth-quarter results were better than expected, pushing both stocks higher.

Lululemon Chief Executive Calvin McDonald said shopper visits remain strong in the fourth quarter across physical and digital channels. He didn't explain in a news release why profit margins contracted.

After meeting with Lululemon's management on Monday at a conference in Orlando, Fla., William Blair analyst Sharon Zackfia wrote in a research note that Lululemon had faster-than-expected sales of marked-down products. She said the overall mix of markdowns remained similar to 2019 and that foot traffic to stores rose 20% during the quarter and e-commerce traffic increased 50%.

Lululemon finished the third quarter with inventories up 85% compared with a year earlier.

Mr. McDonald told analysts in December that the company had purposely built inventories because they were too lean in 2021. He said core styles that carry limited markdown risks accounted for almost half of total inventory.

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BUDRUL CHUKRUT/SOPA IMAGES/ZUMA PRESS

One analyst said 41% of items at Lululemon were on sale in November, up sharply from a year earlier.

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Morgan Stanley Chief Of Operations to Retire

By AnnaMaria Andriotis

Morgan Stanley Chief Operating Officer Jonathan Pruzan is retiring after 29 years at the bank, narrowing a race to succeed Chief Executive Officer James Gorman.

Mr. Pruzan, 54 years old, will step down on Jan. 31, the Wall Street firm said in a Securities and Exchange Commission filing on Monday.

Morgan Stanley named Mr. Pruzan operations chief in May 2021 as part of a broader executive reshuffling meant to "reflect the next generation of leadership at Morgan Stanley," Mr. Gorman said at the time. The 2021 reshuffling set up a four-way race to succeed Mr. Gorman.

Ted Pick, who leads the firm's investment-banking and trading businesses, and Andy Saperstein, the head of wealth management, were named the bank's co-presidents. Dan Simkowitz, head of investment management, was tasked with helping set Morgan Stanley's strategy and execution.

Mr. Gorman, 64, is one of Wall Street's longest-serving CEOs, having held the top job since 2010.

Around the time of the 2021 reshuffling, he told the bank's board that he planned to stay in the CEO job for at least three more years, The Wall Street Journal previously reported.

Mr. Pruzan has spent most of his career at Morgan Stanley, having joined the bank in 1994 after a stint at Paine-Webber.

Before becoming operating chief in 2021, Mr. Pruzan was Morgan Stanley's chief financial officer.

A longtime investment banker, Mr. Pruzan had previously co-headed the Morgan Stanley team that advises banks and other financial companies. Among his well-known assignments: General Motors' massive debt restructuring. (Mr. Pruzan had earlier helped GM sell its financing arm, GMAC LLC.)

Lululemon Warns on Earnings

Continued from page B1

Analysts are worried that Lululemon's run of outsize sales and profit gains might be coming to an end.

"Looking ahead we see dark clouds forming," Jefferies analyst Randal Konik wrote in a research note Monday.

He said the company is facing difficulties in repeating its outsize performance earlier in the pandemic and is struggling with high inventories and rising competition.

Mr. Konik said 41% of items were on sale in November, a 10-percentage-point increase from the same month a year earlier. He expects higher promotional activity to weigh on coming profit margins.

Mr. Konik also said Lululemon's acquisition of Mirror, which provides LCD screens for home gyms and online-fitness classes, continues to be a drag on earnings.

"We believe the company is likely experiencing less adoption than initially anticipated," he said in his note.

On Monday, Lululemon raised revenue expectations but warned it now expects a drop in profit margins. It expects earnings for the final quarter of its fiscal year of between $4.22 and $4.27 a share, compared with previous guidance of between $4.20 and $4.30.

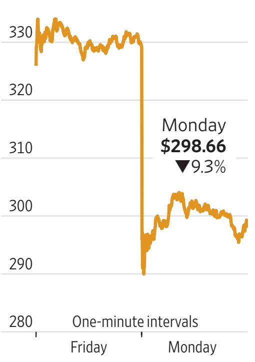
Lululemon, which last April unveiled a five-year growth plan to double revenue by 2026, recorded per-share earnings of $3.36 in the year-earlier fourth quarter.

Revenue for the three months ending Jan. 29 is now seen in a range of $2.66 billion to $2.7 billion, up between 25% and 27% on a year earlier and ahead of the previous target range of $2.61 billion to $2.66 billion.

Lululemon's shares dropped 9.3% in Monday trading to $298.66, after ending last week at $329.26. The stock has fallen about 16% over the past 12 months, compared with a 28% drop in the S&P Retail Select Industry Index.

—Robb M. Stewart contributed to this article.

Lululemon Athletica share price



Source: FactSet

BUSINESS & FINANCE

Cargill CFO Leaves Following Sikes's Elevation to CEO Post

By Kristin Broughton

The company buys crops, trades commodities and processes meat. A Cargill soybean facility.

MEGAN JELINGER/REUTERS

Cargill Inc. said its chief financial officer, Jamie Miller, is stepping down for another opportunity as the agricultural giant reshuffles its executive leadership.

Ms. Miller will leave Cargill on Jan. 13, the Minneapolis-based company said on Monday. She joined Cargill about a year and a half ago from General Electric Co., where she served as CFO for just over two years. She was the first woman at the industrial conglomerate to hold the top finance role.

Cargill has begun an external and internal search for Ms. Miller's successor, according to a spokeswoman. The company declined to make Ms. Miller available for an interview, or to say where she is going.

Ms. Miller's departure follows the Jan. 1 promotion of Brian Sikes, Cargill's former chief operating officer, to the role of chief executive officer. Mr. Sikes succeeded David MacLennan, who took over as executive chair of the company's board after nine years as CEO.

Joanne Knight, vice president of finance in Cargill's agriculture supply-chain division—which includes its ocean transportation and world trading businesses—will serve as acting CFO, the company said. Before joining Cargill in July 2019, Ms. Knight worked for a decade at General Mills Inc., the packaged-food company.

Cargill, one of the world's biggest food suppliers, buys crops from farmers, trades commodities and processes meat. As a closely held company, it doesn't face the same financial-disclosure requirements as publicly traded companies. In 2020, it ended its longstanding practice of providing quarterly results, and instead reports numbers for its fiscal year in its annual report.

In August, Cargill said it had $165 billion in revenue in the financial year ended May 31, a 23% increase over the year earlier. Over the past year, the company and its competitors have benefited from high commodity prices and ongoing supply constraints, driven in part by Russia's war in Ukraine.

A key challenge for Ms. Miller's successor will be just getting to know Cargill, a global corporation that makes products ranging from animal feed to chocolate, said John Rogers, a senior vice president at Moody's Corp., the credit ratings firm.

CARGILL

Jamie Miller departs this week.

"That's the biggest thing—getting a good understanding," he said.

During Ms. Miller's tenure at Cargill, the company, alongside investment firm Continental Grain Co., completed a $4.5 billion acquisition of Sanderson Farms Inc., one of the country's largest poultry producers. Under the transaction, Cargill and Continental combined Sanderson with Wayne Farms LLC, a poultry company owned by Continental. Cargill and Continental evenly share ownership of the combined company, now known as Wayne-Sanderson Farms.

"Over the last few years, we have further strengthened our business model, expanded our business portfolio and are well-positioned for long-term success," Mr. Sikes, Cargill's new CEO, said in a news release announcing Ms. Miller's departure.

—Colin Kellaher contributed to this article.

AstraZeneca to Buy CinCor Pharma

By Joseph Hoppe

Anglo-Swedish pharma giant **AstraZeneca** PLC has agreed to buy **CinCor Pharma** Inc., including global rights to its baxdrostat cardiorenal drug, for an upfront transaction value of around $1.3 billion.

AstraZeneca said Monday that it will initiate a tender offer to acquire all of the U.S.-listed biopharmaceutical company's shares outstanding for a price of $26 a share in cash at the closing of the deal. It also committed to a further $10 a share in cash, payable upon a specified regulatory submission of a baxdrostat product.

AstraZeneca said the acquisition will bolster its cardiorenal pipeline by adding baxdrostat, an inhibitor that has shown promise in clinical trials lowering blood pressure in treatment-resistant hypertension. The upfront cash portion of the acquisition represents a 121% premium to CinCor's closing market price of $11.78 on Friday. CinCor shares closed at $28.74 on Monday, up 144% from Friday's close. Combined, the upfront and so-called maximum potential contingent value payments represent a transaction value of around $1.8 billion.

YUKI IWAMURA/ASSOCIATED PRESS

Southwest said the severity and breadth of a winter storm before Christmas overwhelmed its crew-scheduling system.

Meltdown Worries Investor

Continued from page B1

the crew-scheduling system that it uses to reassign pilots and flight attendants after disruptions. That is one reason the airline was thrown off track for over a week even as rivals restored normal operations within a few days.

The episode has led to rebukes from lawmakers, regulators and Southwest's labor leaders.

It has also raised questions about the pace of the airline's investments in technology as well as longstanding business practices, such as scheduling flights with quick turnaround times, and a network structure that has planes and crew hopscotching around the country rather than back and forth to a hub.

Mr. Jordan said the airline has taken steps to prevent another similar snafu as it works to investigate the underlying causes and examines longer-term solutions.

Volunteers who stepped in to assist crew schedulers have now been trained and can help again if the airline's systems are in danger of falling behind, and the airline is monitoring additional early warning indicators for signs of stress, Mr. Jordan said.

"We've put things in place right now to help ensure that we're mitigating the risk," he said last week.

Modernizing some of Southwest's technology had been a priority for Mr. Jordan, a longtime executive who became the airline's CEO last year.

"Longer term, we've already engaged the work to understand lessons learned—what happened, how does this affect the plans that we already have in place, where are we going to dial up investment, those kinds of things," he said. "That work will be done very quickly."

Mr. Jordan told employees Monday that roughly 98% of the bags that were caught up in the disruption have been returned to customers or are on their way, and the airline has processed more than 75% of requests for refunds, with an average turnaround time of about three days.

Mr. DiNapoli's office has a recent history of weighing in on high-profile corporate troubles.

His office emerged as a lead plaintiff in a shareholder lawsuit that took aim at Boeing Co.'s directors over their response to two 737 MAX crashes in 2018 and 2019. The accidents took 346 lives and cost shareholders billions of dollars. The Boeing lawsuit resulted in a $237.5 million settlement and internal oversight changes, including the addition of a board member with safety expertise and an ombudsman tasked with helping company engineers who work on behalf of U.S. air-safety regulators.

Disney Requires 4 Days a Week at Office

Iger cites value of being together with people you work with and ability to connect

By Robbie Whelan

Walt Disney Co. Chief Executive Robert Iger told employees Monday that they would be required to work from a Disney office four days a week, marking one of the most comprehensive return-to-office policies at a large U.S. company since the pandemic.

In an all-staff email, Mr. Iger wrote that starting March 1, employees who are working in a hybrid home and office situation will be expected to come to the office Monday through Thursday.

"As I've been meeting with teams throughout the company over the past few months, I've been reminded of the tremendous value in being together with the people you work with," Mr. Iger wrote. "Creativity is the heart and soul of who we are and what we do at Disney. And in a creative business like ours, nothing can replace the ability to connect, observe, and create with peers that comes from being physically together."

Disney was slower to implement a return-to-office policy than some of its competitors and peers in the media and tech industry, but the four day requirement is slightly more stringent than most of them.

Last Spring, for example, Apple Inc. and Google parent Alphabet Inc., announced that hybrid workers would have to return to the office three days a week. Warner Bros. Discovery Inc. followed in June, requiring three days each week in the office.

Streaming rival Netflix Inc. hasn't set a firm policy for workers to return to the office, but in 2020, CEO Reed Hastings told The Wall Street Journal that working from home was "a clear negative" in part because it makes it harder for employees to debate ideas in the workplace.

Some firms with fewer staffers than Disney, which employs more than 200,000 around the globe, have mandated stricter return-to-work regimens, including exercise gear company Peloton Interactive Inc.

CEO Barry McCarthy last year mandated that employees come into the office three days a week and wrote that the company would respect the decision of any staffer who chose to leave the company if they objected.

Mr. Iger began his second stint as CEO of Disney in November after the company's board dismissed Bob Chapek, who had led the company for less than three years.

Mr. Chapek lost his job after clashing with some of his deputies and some board members amid weak quarterly financial results and a long slide in Disney's share price.

Shortly after retaking the helm, Mr. Iger told staffers that he planned to refocus Disney on storytelling and restructure the company to give more power to creative executives.

Rite Aid's Chief Steps Down From Drugstore Chain

By Dean Seal

Rite Aid Corp. said President and Chief Executive Heyward Donigan has left the drugstore chain, whose shares have been hovering near all-time lows as losses mount.

The company tapped board member Elizabeth Burr as an interim CEO as it conducts a search for a new leader.

Ms. Burr is a health industry veteran, having previously served as chief innovation officer at the health insurance giant **Humana** Inc.

Ms. Donigan was named Rite Aid CEO in 2019, leading the company through the Covid-19 pandemic that put pharmacy chains on the front lines of testing and vaccinations.

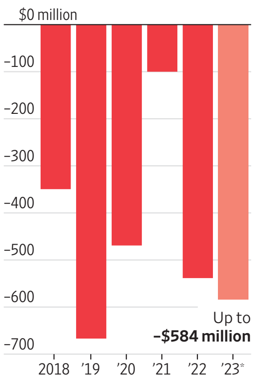
But Rite Aid has been posting wider losses over the past year as the pandemic abated and the company's revenue plunged.

Last month, Rite Aid widened its annual loss forecast for the third quarter in a row, sending shares to their lowest levels in 48 years.

The company's shares closed at $3.48 on Monday, an increase of nearly 1% from their close on Friday but just 36 cents away from their all-time low.

Rite Aid on Monday also backed its fiscal year 2023 guidance, which calls for revenue of as much as $24 billion and a loss of as much as $584 million.

Rite Aid's annual net losses



*Fiscal year ends March 4
Sources: S&P Capital IQ; the company

Companies Weigh if Consumers Can Handle More Price Increases

By Jennifer Williams-Alvarez And Dean Seal

After a year of significant price increases, companies are trying to figure out how far they can go in 2023.

Companies in 2022 increased sale prices to offset higher costs for everything from freight to wages to raw materials such as lumber and steel, with little pushback from customers.

Net profit margins at S&P 500 companies hit 11.6% during the third quarter of 2022, down from 12.7% in the year-earlier period but still higher than the same period in 2020 and before the pandemic, according to financial data company Refinitiv.

Companies including burrito chain **Chipotle Mexican Grill** Inc., financial data and software company **FactSet Research Systems** Inc. and beauty products maker **Ulta Beauty** Inc. raised prices throughout 2022 and are hopeful they will retain some pricing power in the new year, even as inflation begins to slow.

However, pricing experts said, consumers and businesses will likely pull back on discretionary spending and will be less tolerant of price increases as they become mindful of their budgets.

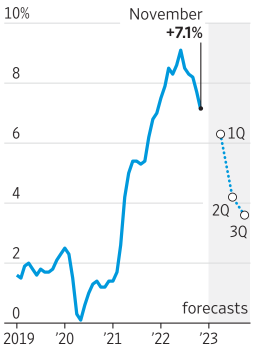
S&P Global Ratings forecasts that the consumer-price index, which measures what consumers pay for goods and services, will average 6.3% growth in the first three months of 2023, before falling to 4.2% in the second quarter and 3.6% in the third.

While that would be a marked slowdown from the recent 7.1% rate for November and the June peak of 9.1%, it remains sharply higher than the 2.1% three-year average rate before the pandemic. The Labor Department on Thursday is set to release its December CPI.

With the prospect of a recession or growth downturn ahead as the Federal Reserve's aggressive inflation-fighting campaign slows the economy, finance chiefs are watching closely for signs of how consumers and businesses are tolerating price increases.

"There is no doubt that the consumer is under pressure," said Michael Mullican, finance chief at sporting goods and outdoor recreation retailer **Academy Sports & Outdoors** Inc.

U.S. consumer price index, change from a year earlier



Note: U.S. city average, all urban consumers, not seasonally adjusted
Sources: Labor Dept.; S&P Global Ratings (forecasts)

The Katy, Texas-based retailer takes an item-by-item approach to price increases. For instance, Academy runs a promotion in the summer for a barbecue grill at $199—a key price point that brings in consumers, Mr. Mullican said. "Costs have increased substantially to make that item, but it's such an important price point and traffic driver, that we're not going to pass that cost on," he said.

Other retailers have been known to hold prices on certain items despite rising costs. **Costco Wholesale** Corp., for instance, has famously held its hot dog and soda combo at $1.50, with CFO Richard Galanti describing the price point as "sacrosanct."

Conversely, Academy continues to sell its cheapest bike for $99 to compete with big-box retailers, but higher-end bikes are being sold at higher prices, Mr. Mullican said.

Pricing experts are advising clients to adopt a similar playbook in the year ahead. Gone are the days of across-the-board price increases, which were absorbed more readily by customers earlier in the pandemic when companies had few other avenues for preserving their margins, said Mark Burton, a partner at advisory firm Bain & Co.

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Denise, adopted 17-year-old Amina

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Delivery Startup Wonder Scales Back

Company to phase out fleet of food trucks, cut jobs in shift to less costly business model

By Sarah Nassauer

Food-delivery startup Wonder Group is laying off staff and scrapping its plans to roll out a nationwide fleet of food trucks, shifting to a more conventional and less expensive restaurant delivery model.

The shift is a significant change for the four-year-old startup, which currently cooks food with a fleet of around 500 food trucks that deliver to households in the New Jersey and New York suburbs. The company has raised $900 million in venture capital and was valued at around $3.5 billion last year.

Marc Lore, Wonder's majority owner and chief executive, said in an interview that the new strategy offers the company a faster path to profitability that requires less capital. Wonder needed to raise another $1 billion in about two years to expand its mobile kitchen truck fleet at the pace it hoped, said Mr. Lore. Now it plans to raise around $350 million in the same period, he said.

"I see a much bigger opportunity to be more profitable, more capital-efficient and slightly improve" the customer experience with physical kitchens compared with the food truck system, said Mr. Lore, an experienced entrepreneur and former Walmart Inc. e-commerce executive.

The switch is a sign that even Mr. Lore, who has earned investors profits with past ventures such as Diapers.com and Jet.com, is running up against an investor market where funding is tightening and interest rates are rising. Startups face growing pressure to more quickly earn profits and use less capital compared with previous years. Many startups are laying off staff, delaying initial public offerings, and pivoting to new business models.

Wonder has laid off around 400 workers in recent months and currently has around 1,400 employees, a spokesman said. The company plans to lay off more people in the coming months, said Mr. Lore, but will end the year with more employees than it currently has as it opens physical locations.

ANDREW DAVIS FOR THE WALL STREET JOURNAL

CEO Marc Lore said the strategy should bring faster profitability.

The company will wind down its fleet of trucks in the coming months and open around 10 physical locations in New York and New Jersey over the next year, said Mr. Lore. The model resembles a ghost kitchen, a network of kitchens that cook multiple cuisines from a single location for local delivery. Wonder's version will offer some in-restaurant seating and food pickup, as well as delivery, and cook food from specific restaurants with which it has licensing deals.

Unrestrained by the confines of a delivery truck, a physical location allows Wonder to sell from more restaurants at once, Mr. Lore said. The company can use its knowledge of cooking high quality food in small spaces to be a more efficient version of a high-end restaurant, he said.

Fixed locations also allow Wonder to better control delivery times, reduce mistakes because more workers review each order and scale to other cities faster, he said.

Mr. Lore sold Quidsi Inc., an e-commerce site for diapers and other household goods, to Amazon.com Inc. in 2010 for $500 million. He sold Jet.com to Walmart for $3.3 billion in 2016. Walmart eventually wound down Jet, folding the operation into its broader e-commerce business. Mr. Lore left Walmart in early 2021 and took over as CEO of Wonder later that year.

Wonder has licensing deals to use the name and recipes of restaurants such as Bobby Flay Steak and Di Fara Pizza. It will continue cooking food from those restaurants in its physical locations, he said. It also aims to grow its business selling food kits and fast-cooking oven software to other businesses such as convention centers.

Wonder will start phasing out trucks next week in some New Jersey neighborhoods, Mr. Lore said. That process will stretch through the spring. As the trucks disappear, the company hopes to open fixed locations that will serve existing customers in addition to new areas, he said.

The shift may please some New Jersey residents who bristled at Wonder trucks idling in their neighborhoods to cook and deliver meals, according to a Wall Street Journal article last summer.

Meta Starts Effort to Curb Algorithmic Bias in Ads

By Salvador Rodriguez

Meta Platforms Inc. said it has begun implementing technology designed to improve the equity of housing advertising displayed to Facebook users as part of a June settlement agreement with federal officials.

The adoption of new online advertising practices was a crucial component of a settlement among the Justice Department, federal housing officials and Meta regarding housing discrimination charges against the technology company.

Meta's new Variance Reduction System, as it is formally called, relies on machine-learning technology that is designed to show housing ads to audiences that more closely reflect the eligible target audience for that ad.

"We will continue to make this work a priority as we collaborate with stakeholders to support important industry-wide discussions around how to make progress toward more fair and equitable digital advertising," said Roy Austin, Meta's vice president of civil rights and deputy general counsel, in a written statement.

Meta said it plans to expand use of the new machine-learning system to employment and credit ads. It is illegal to deny someone housing or employment based on federally protected characteristics such as race, religion and sex.

Meta Platforms' new ad-distribution system was developed after more than a year of collaboration with the Justice Department and federal housing officials, the company said.

The new ad system works by showing the ad to a large group of people and then measuring their aggregate age, gender and estimated race and ethnicity. That measurement is compared with measurements of the population of people who would have been eligible to see the ad.

If there is a difference between the two measurements, the system corrects for the differences as the ad is shown to more people.

PETER DASILVA/REUTERS

The company said it began implementing technology to improve the equity of Facebook housing ads.

In June, the Justice Department said the settlement marked the first time that Meta would be subject to court oversight for its ad-targeting and -delivery system.

The complaint from the federal government said Meta enabled and encouraged advertisers to target housing ads by relying on race, color, religion, sex, disability, familial status and national origin.

"Because of this groundbreaking lawsuit, Meta will—for the first time—change its ad delivery system to address algorithmic discrimination," Damian Williams, a U.S. attorney for the Southern District of New York, said in a written statement at the time. "But if Meta fails to demonstrate that it has sufficiently changed its delivery system to guard against algorithmic bias, this office will proceed with the litigation."

In addition to agreeing to build the new ad-delivery system, Meta in June also agreed to pay a civil penalty of $115,054, the maximum available under the Fair Housing Act, federal officials said.

The company also agreed to stop using a tool for housing ads called "Special Ad Audience" that used a machine-learning algorithm to target Facebook users who shared similarities with groups of individuals selected by advertisers.

Layoff Process Creates a Minefield for Some Companies

By Chip Cutter

Any executive considering downsizing must wrestle with the most effective, and least painful, way to let employees go.

Is it better to get layoffs over with all at once even at the risk of cutting too deep? Is firing over Zoom more humane than making an employee come into the office to lose their job? How much severance pay is fair?

As well-known employers including **Amazon.com** Inc., **Salesforce.com** Inc., **Goldman Sachs Group** Inc. and others lay off workers, executives elsewhere say they are closely monitoring different approaches to the process.

Some human-resources teams are building spreadsheets to track how many positions peers cut and what they say to employees during the reductions. Laid-off workers, meanwhile, are comparing severance agreements and pushing back if they feel terms fall short, which has sometimes led to tense all-hands sessions.

"I'm not sure there's one recipe" for a layoff, said Katy George, a senior partner and chief people officer at McKinsey & Co.

Though the job market is cooling, the unemployment rate stood at a historically low 3.5% in December and many employers say they still face challenges filling some positions.

That said, this is also among the first job downturns in the era of increasingly empowered and vocal employees who are adept at using Slack and other tools to amplify their criticisms. Companies say it is important to handle layoffs carefully to protect employers' reputations and help maintain morale among those who remain.

Some companies telegraph weeks in advance that layoffs should be expected, a tactic that can give employees warning while also raising uncertainty over whose roles will be eliminated, human-resources advisers say.

When Salesforce Co-Chief Executive Marc Benioff announced on Wednesday that the cloud-software giant planned to eliminate roughly 10% of its staff, he told employees to check their email within the hour to see if their roles were affected. Other corporate leaders, such as video-technology company **Vimeo** Inc., which said recently that it would cut about 140 people, have sent companywide notes after individual employees were contacted.

Many companies struggle over whether to make one sweeping layoff, or to do a series of smaller cuts over a period of time while assessing a company's financial situation, advisers and executives say. Both carry risks. If a layoff is too large, a company can inadvertently cut key units or people, executives say. Yet multiple layoffs in a short period can create prolonged instability in an organization, McKinsey's Ms. George said.

"You don't want to have two shoes drop," said John Chambers, the former CEO of Cisco Systems Inc., noting that one layoff quickly followed by another can erode trust with employees and investors. "My answer is you do it once, you do it very aggressively, but you also, most important, you communicate."

The era of hybrid work complicates matters, executives say. Bosses once insisted on delivering bad news face-to-face, a practice that changed in the pandemic. Some executives are now debating whether it is easier for employees to learn of a layoff on Zoom versus in-person, said Andy Challenger, senior vice president at outplacement firm Challenger, Gray & Christmas Inc.

"It almost seems cruel to ask someone to commute into the office just to let them go," he said.

Whereas some companies once picked Friday as the preferred day to cut jobs, thinking it would give people a weekend to process a tough situation, many now see a midweek layoff announcement as more humane, said Lorna Hagen, a longtime chief people officer. A layoff on a Wednesday, for example, can give affected employees time to talk with HR representatives or benefits providers during business hours in the ensuing days, she said.

In prior roles, Ms. Hagen said she has worked with colleagues to create a "run of show," outlining minute-by-minute how a layoff should proceed. The document details when managers will talk to affected employees and when executives should communicate to the remaining workforce and the public. Training ahead of a layoff can give managers a script and guidance for navigating difficult conversations.

Many managers often flub the conversations by saying, "This is so hard for me," Mr. Challenger said. That phrase can irritate employees facing a job loss. "That just hits people the wrong way," he said. "It's not about you."

A few firms telegraph weeks in advance that layoffs should be expected.

Some companies, such as payments processor **Stripe** Inc., have been credited by employees and others for how they dealt with layoffs. Stripe cut about 14% of its workforce in November; in an email to employees, CEO Patrick Collison said he and other leaders were "fully responsible" for the decisions leading to the layoffs. The company said it would provide at least 14 weeks of severance pay and would accelerate or waive employee stock-vesting cliffs.

Other employers have encountered blowback. At the online-education provider **Coursera** Inc., which laid off dozens of workers in November, some remaining employees took issue in all-hands sessions with how layoffs were handled, while laid-off employees sent detailed requests via email to the company to revise separation agreements, according to interviews with current and former employees, internal town-hall recordings and documents obtained by The Wall Street Journal.

Some laid-off employees wrote a collective letter in December to Coursera CEO Jeff Maggioncalda and executives, outlining how the workers felt Coursera's separation terms fell short compared with layoffs at companies such as Meta Platforms Inc. and Stripe. The group cited the company's decision not to waive some stock-vesting cliffs or accelerate vesting for stock-based compensation issued to employees. The letter is signed by unnamed "Laid Off Employees."

Rich Jacquet, Coursera's chief people officer, responded and recommended that workers contact HR. The group said HR had rejected outreach from workers.

The company offered workers four months of pay, plus more based on role or tenure, along with healthcare coverage and outplacement assistance. "We realize this decision impacts employees' livelihoods and we strive to provide what we believe is meaningful transition assistance," a Coursera spokeswoman said.

A number of human-resources advisers say that, at minimum, companies should offer laid-off workers a month of severance. Many companies are also now waiving stock-vesting requirements, too, though policies vary by company, said Matt Hoffman, a partner and head of talent at venture-capital firm M13.

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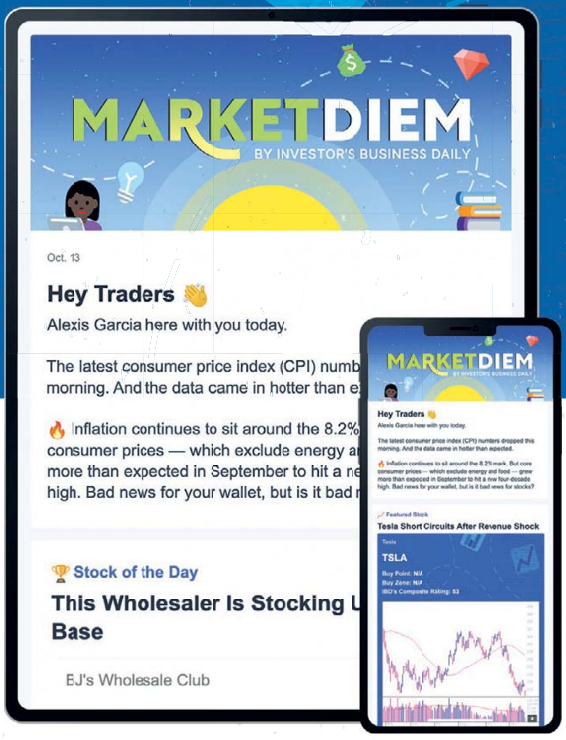

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BIGGEST 1,000 STOCKS

How to Read the Stock Tables

The following explanations apply to NYSE, NYSE Arca, NYSE American and Nasdaq Stock Market listed securities. Prices are composite quotations that include primary market trades as well as trades reported by Nasdaq BX (formerly Boston), Chicago Stock Exchange, Cboe, NYSE National and Nasdaq ISE.

The list comprises the 1,000 largest companies based on market capitalization.

Underlined quotations are those stocks with large changes in volume compared with the issue's average trading volume.

Boldfaced quotations highlight those issues whose price changed by 5% or more if their previous closing price was $2 or higher.

Footnotes:
▲-New 52-week high.
▼-New 52-week low.
dd-Indicates loss in the most recent four quarters.
FD-First day of trading.
h-Does not meet continued listing standards
lf-Late filing
q-Temporary exemption from Nasdaq requirements.
t-NYSE bankruptcy
v-Trading halted on primary market.
vj-In bankruptcy or receivership or being reorganized under the Bankruptcy Code, or securities assumed by such companies.

Wall Street Journal stock tables reflect composite regular trading as of 4 p.m. and changes in the closing prices from 4 p.m. the previous day.

Monday, January 9, 2023

Stock	Sym	Close	Net Chg
A B C			
ABB	ABB	32.80	0.29
ADT	ADT	9.41	0.08
AECOM	ACM	82.07	-1.08
AES	AES	27.25	0.82
Aflac	AFL	71.45	-2.39
AGCO	AGCO	136.63	0.34
Ansys	ANSS	247.99	8.58
APA	APA	43.37	0.48
ASETech	ASX	6.88	0.19
ASML	ASML	621.33	25.48
AT&T	T	19.04	-0.21
AbbottLabs	ABT	112.15	-0.18
AbbVie	ABBV	161.66	-4.89
AcadiaHealthcare	ACHC	81.45	-1.59
Accenture	ACN	273.75	4.54
ActivisionBliz	ATVI	77.22	-0.37
Adobe	ADBE	341.98	9.23
AdvanceAuto	AAP	152.26	-1.76
AdvDrainageSys	WMS	81.74	-1.17
AdvMicroDevices	**AMD**	**67.24**	**3.28**
Aegon	AEG	5.19	...
AerCap	AER	61.94	0.52
AgilentTechs	A	147.47	-0.20
agilon health	**AGL**	**17.56**	**2.17**
AgnicoEagleMines	AEM	54.71	-0.57
AirProducts	APD	311.67	1.49
Airbnb	ABNB	89.24	0.72
AkamaiTech	AKAM	86.88	1.03
Albemarle	ALB	224.00	2.36
Albertsons	ACI	20.92	0.11
Alcoa	**AA**	**50.27**	**3.91**
Alcon	ALC	71.49	-0.21
AlexandriaRlEst	ARE	146.59	-1.01
Alibaba	BABA	110.83	3.43
AlignTech	ALGN	227.67	6.90
Allegion	ALLE	112.27	0.85
AlliantEnergy	LNT	55.44	0.09
Allstate	ALL	140.01	-1.36
AllyFinancial	ALLY	26.20	0.13
AlnylamPharm	ALNY	219.72	-5.28
Alphabet C	GOOG	88.80	0.64
Alphabet A	GOOGL	88.02	0.68
Altria	MO	45.98	-0.47
Amazon.com	AMZN	87.36	1.28
Ambev	ABEV	2.72	0.01
Amcor	AMCR	12.20	...
Amdocs	DOX	90.17	-1.67
Ameren	AEE	89.41	1.09
AmericaMovil	AMX	19.48	0.15
AmericaMovil A	AMOV	19.32	0.28
AmerAirlines	AAL	16.41	0.43

Stock	Sym	Close	Net Chg
AEP	AEP	97.95	1.42
AmerExpress	AXP	150.40	0.23
AmericanFin	AFG	139.97	-1.20
AmHomes4Rent	AMH	31.04	0.07
AIG	AIG	63.87	-0.68
AmerTowerREIT	AMT	219.30	0.80
AmerWaterWorks	AWK	158.44	0.18
AmericoldRealty	COLD	28.89	0.09
Ameriprise	AMP	321.22	-0.06
AmerisourceBrgn	ABC	164.97	-0.74
▲ Ametek	AME	142.50	-1.34
Amgen	AMGN	270.12	-5.08
AmkorTech	**AMKR**	**29.82**	**2.43**
Amphenol	APH	79.12	0.55
AnalogDevices	ADI	167.10	1.58
AngloGoldAsh	AU	21.32	-0.15
AB InBev	BUD	60.67	-0.42
AnnalyCap	NLY	22.04	-0.10
AnteroResources	AR	29.41	1.21
Aon	AON	306.33	-1.00
ApolloGlbMgmt	APO	65.32	0.99
Apple	AAPL	130.15	0.53
AppliedMaterials	AMAT	106.49	2.26
Aptargroup	ATR	113.33	-0.73
Aptiv	APTV	97.98	-0.33
▲ Aramark	ARMK	43.69	-0.26
ArcelorMittal	MT	28.80	0.06
ArchCapital	ACGL	62.67	-1.23
ArcherDaniels	ADM	85.37	-0.58
AresMgmt	ARES	71.81	2.68
argenx	ARGX	372.96	2.85
AristaNetworks	ANET	114.87	2.42
ArrowElec	ARW	110.14	0.06
AscendisPharma	**ASND**	**109.27**	**-17.51**
AspenTech	AZPN	201.68	0.54
Assurant	AIZ	125.11	-3.48
AstraZeneca	AZN	70.90	0.10
Atlassian	TEAM	127.17	5.89
AtmosEnergy	ATO	113.79	1.26
Autodesk	ADSK	192.47	5.28
Autoliv	ALV	78.70	0.21
ADP	ADP	239.51	-0.65
AutoNation	AN	110.49	-0.51
AutoZone	AZO	2441.75	-44.89
Avalonbay	AVB	162.47	-1.16
Avangrid	AGR	43.33	0.14
Avantor	AVTR	20.66	0.59
AveryDennison	AVY	189.48	1.17
AvisBudget	CAR	167.84	1.54
AxonEnterprise	AXON	177.45	6.55
BCE	BCE	45.84	...
BHP Group	BHP	65.62	-0.42
BJ'sWholesale	BJ	67.30	-1.52
BOK Fin	BOKF	101.98	-0.86
BP	BP	34.77	0.31

Stock	Sym	Close	Net Chg
Baidu	BIDU	133.39	0.33
BakerHughes	BKR	30.54	0.58
Ball	BALL	55.57	1.31
BancoBilbaoViz	BBVA	6.68	0.08
BancoBradesco	BBDO	2.44	0.02
BancodeChile	BCH	20.14	0.29
BancSanBrasil	BSBR	5.58	-0.06
BcoSantChile	BSAC	16.36	0.42
BancoSantander	SAN	3.21	0.01
BanColombia	CIB	28.79	0.31
BankofAmerica	BAC	33.89	-0.52
BankofMontreal	BMO	95.40	0.27
BankNY Mellon	BK	48.14	0.19
BankNovaScotia	BNS	50.26	0.28
Barclays	BCS	8.49	0.03
BarrickGold	GOLD	18.97	-0.07
Bath&BodyWks	BBWI	45.00	-1.12
BaxterIntl	**BAX**	**44.70**	**-3.75**
BectonDickinson	BDX	252.45	-6.89
BeiGene	BGNE	245.95	0.73
BentleySystems	BSY	36.43	1.02
Berkley	WRB	72.98	-1.31
BerkHathwy B	BRK.B	315.53	-3.16
BerkHathwy A	BRK.A	478384	-3570.10
BerryGlobal	BERY	61.59	0.09
BestBuy	BBY	82.66	-0.98
Bilibili	**BILI**	**27.00**	**-1.65**
Bill.com	**BILL**	**100.39**	**5.90**
Bio-Techne	TECH	83.94	1.42
Bio-RadLab A	BIO	425.99	7.31
Biogen	BIIB	274.72	-4.53
▲ BioMarinPharm	BMRN	107.10	-1.61
BioNTech	BNTX	148.76	-1.33
BlackKnight	BKI	61.14	-0.58
BlackRock	BLK	752.99	14.99
Blackstone	BX	80.58	1.36
Block	SQ	69.06	0.07
BlueOwlCapital	**OWL**	**11.28**	**0.61**
Boeing	BA	208.57	-4.43
BookingHldgs	BKNG	2208.41	29.16
BoozAllen	**BAH**	**96.67**	**-6.22**
BorgWarner	BWA	42.20	-0.91
BostonProps	BXP	65.72	-1.33
BostonSci	BSX	45.59	-0.74
BristolMyers	BMY	71.01	-1.99
BritishAmTob	BTI	40.02	-0.67
BrixmorProp	BRX	22.46	-0.59
Broadcom	AVGO	576.89	-11.54
BroadridgeFinl	BR	138.66	1.56
Brookfield	BN	34.98	0.57
BrookfieldInfr	BIP	33.62	0.67
BrookfieldRenew	BEPC	28.79	0.70
Brown&Brown	BRO	58.84	0.01
Brown-Forman A	BF.A	64.47	0.19

Stock	Sym	Close	Net Chg
Brown-Forman B	BF.B	64.69	0.78
Bruker	BRKR	65.49	-1.90
BuildersFirst	BLDR	67.05	-0.19
Bunge	BG	98.04	1.42
BurlingtonStrs	BURL	221.31	-2.60
CACI Intl	**CACI**	**297.16**	**-17.45**
CBRE Group	CBRE	81.76	0.84
CDW	CDW	183.96	0.74
CF Industries	CF	86.00	1.59
CGI	GIB	85.43	0.73
CH Robinson	CHRW	93.36	0.05
CME Group	CME	175.80	0.71
CMS Energy	CMS	64.39	0.55
CNA Fin	CNA	42.88	-0.78
▲ CNH Indl	CNHI	16.69	-0.03
CRH	CRH	43.69	0.07
CSX	CSX	32.14	-0.06
CVS Health	CVS	91.49	-0.11
CadenceDesign	CDNS	165.92	6.26
CAE	CAE	20.20	0.26
CaesarsEnt	CZR	43.50	-0.61
CamdenProperty	CPT	113.01	-0.99
Cameco	CCJ	24.89	0.45
CampbellSoup	CPB	55.95	-1.06
CIBC	CM	42.43	0.36
CanNtlRlwy	CNI	123.08	0.76
CanNaturalRes	CNQ	55.18	0.65
CanPacRlwy	CP	77.71	0.18
Canon	CAJ	21.91	-0.02
CapitalOne	COF	97.45	0.38
Capri	CPRI	61.27	-0.13
CardinalHealth	CAH	77.57	-1.07
Carlisle	CSL	237.64	1.01
Carlyle	CG	32.45	1.44
CarMax	KMX	67.07	1.29
Carnival	CCL	9.47	0.27
Carnival	CUK	8.43	0.25
CarrierGlobal	CARR	43.50	0.37
CaseysGenStores	CASY	223.44	0.48
Catalent	CTLT	48.18	0.52
▲ Caterpillar	CAT	246.62	-2.24
Celanese	CE	116.80	0.18
CelsiusHldg	CELH	97.67	0.41
Cemex	CX	4.48	-0.11
CenovusEnergy	CVE	19.01	0.13
Centene	CNC	77.59	-1.07
CenterPointEner	CNP	30.47	0.48
CentraisElBras	EBR	7.82	-0.02
CeridianHCM	CDAY	62.88	1.92
CharlesRiverLabs	CRL	227.75	7.91
CharterComms	CHTR	367.18	-0.55
CheckPoint	CHKP	125.86	-2.34
Chemed	CHE	493.54	-7.47
CheniereEnergy	LNG	143.49	0.61
ChenierePtrs	CQP	56.37	0.64
ChesapeakeEner	CHK	89.19	1.40
Chevron	CVX	175.18	-1.38
ChewyA	**CHWY**	**40.13**	**2.61**
ChinaEastrnAir	CEA	21.69	0.53
▲ ChinaSoAirlines	ZNH	35.65	1.27
Chipotle	CMG	1446.74	44.68
Chubb	CB	223.51	-5.35
ChunghwaTel	CHT	37.67	0.10
Church&Dwight	CHD	82.25	-1.34
ChurchillDowns	CHDN	218.52	1.08
Ciena	CIEN	51.93	0.51
Cigna	CI	303.04	0.36
CincinnatiFin	CINF	108.69	-1.05
Cintas	CTAS	441.31	-0.63
CiscoSystems	CSCO	48.58	0.26
Citigroup	C	47.54	0.23
CitizensFin	CFG	41.10	-0.54
ClearwayEnergyC	CWEN	32.65	0.23
ClearwayEnergyA	CWEN.A	30.75	0.23
Cleveland-Cliffs	CLF	18.18	-0.47
Clorox	CLX	142.66	-1.78
Cloudflare	NET	40.40	0.50
Coca-Cola	KO	62.61	-0.79
Coca-ColaEuro	CCEP	56.38	-0.45
Cognex	CGNX	52.03	2.16
CognizantTech	CTSH	60.86	1.11
CoinbaseGlbl	**COIN**	**38.27**	**5.01**
ColgatePalm	CL	78.73	-1.25
Comcast A	CMCSA	37.55	-0.34
Comerica	CMA	66.81	-0.79
CommerceBcshrs	CBSH	68.36	-1.14
SABESP	SBS	10.46	0.02
▲ ConagraBrands	CAG	40.42	-0.54
Concentrix	CNXC	138.40	2.13
ConocoPhillips	COP	117.36	-0.87
ConEd	ED	97.72	-0.11
ConstBrands A	STZ	215.51	1.28
ConstellationEner	CEG	84.00	0.50
Cooper	COO	344.25	-0.92
Copart	CPRT	62.44	0.05
CorebridgeFin	CRBG	20.44	0.35
Corning	GLW	35.42	0.04
Corteva	CTVA	61.11	0.10
CoStar	CSGP	77.08	-0.04
Costco	COST	478.75	-4.12
CoterraEnergy	CTRA	24.79	0.53
Coty	COTY	9.38	0.18
Coupang	**CPNG**	**17.87**	**1.16**
Credicorp	BAP	147.71	1.71
CreditSuisse	CS	3.36	0.08
Crocs	CROX	113.43	2.32
CrowdStrike	CRWD	96.57	1.85
CrownCastle	CCI	145.38	-0.33
CrownHoldings	CCK	84.80	0.91
CubeSmart	CUBE	40.26	0.86
Cullen/Frost	CFR	131.68	-3.06
Cummins	CMI	244.29	0.39
Curtiss-Wright	CW	165.02	-4.94
D E F			
▲ DCP Midstream	DCP	41.98	0.03
DISH Network	DISH	15.82	0.18
DTE Energy	DTE	120.46	1.02
DXC Tech	DXC	28.27	0.10
Danaher	DHR	255.05	2.56
Darden	DRI	148.10	2.33
DarlingIngred	DAR	63.83	0.23
Datadog	DDOG	65.94	1.80
DaVita	DVA	78.71	-2.34
▲ DeckersOutdoor	DECK	405.85	8.28
Deere	DE	428.20	1.73
DellTechC	DELL	42.28	-0.14
DeltaAir	DAL	36.77	0.74
DentsplySirona	XRAY	32.99	-0.44
DeutscheBank	DB	12.44	...
DevonEnergy	DVN	62.20	0.97
DexCom	DXCM	110.06	-5.76
Diageo	DEO	178.41	-0.51
DiamondbkEner	FANG	141.49	3.35
▲ Dick's	DKS	128.37	0.29
DigitalRealty	DLR	101.14	-0.24
DiscoverFinSvcs	DFS	103.88	0.84
Disney	DIS	94.77	0.85
DocuSign	DOCU	56.51	1.97
DolbyLab	DLB	74.45	1.55
DollarGeneral	DG	241.05	-7.51
DollarTree	DLTR	143.97	-1.86
DominionEner	D	61.59	-0.28
Domino's	DPZ	333.88	-8.74
Donaldson	DCI	60.21	-0.01
DoorDash	DASH	48.05	0.05
Dover	DOV	138.91	-0.51
Dow	DOW	55.28	0.26
DrReddy'sLab	RDY	53.13	0.43
DraftKings	DKNG	12.07	0.44
Dropbox	DBX	22.35	0.18
DukeEnergy	DUK	105.19	0.01
DuPont	DD	73.48	1.01
Dynatrace	DT	36.89	0.64
EMCOR	EME	145.04	-2.60
ENI	E	29.74	0.24
EOG Rscs	EOG	127.75	0.28
EPAM Systems	EPAM	324.98	8.31
EQT	EQT	34.67	1.33
EastWestBncp	EWBC	67.34	-1.01
EastGroup	EGP	149.51	-0.34
EastmanChem	EMN	88.56	-0.15
Eaton	ETN	160.88	-0.22
eBay	EBAY	43.52	-1.59
Ecolab	ECL	150.22	0.76
Ecopetrol	EC	11.12	0.16
EdisonInt	EIX	67.79	0.92
EdwardsLife	EW	76.35	-0.66
ElbitSystems	ESLT	171.80	0.75
ElectronicArts	EA	124.17	0.28
ElevanceHealth	ELV	470.71	-4.77
EmersonElec	EMR	97.26	-0.69
Enbridge	ENB	41.00	0.48
Endeavor	EDR	21.70	0.37
EnergyTransfer	ET	12.31	0.16
EnphaseEnergy	ENPH	227.94	-5.71
Entegris	**ENTG**	**74.13**	**3.80**

Stock	Sym	Close	Net Chg
Entergy	ETR	108.46	0.78
EnterpriseProd	EPD	25.32	0.32
Equifax	EFX	204.64	0.02
Equinix	EQIX	681.16	7.22
Equinor	EQNR	31.30	0.34
Equitable	EQH	29.64	-0.58
EquityLife	ELS	65.46	-0.13
EquityResdntl	EQR	58.60	-0.76
ErieIndemnity A	ERIE	254.82	3.84
EssentialUtil	WTRG	48.71	-0.10
EssexProp	ESS	212.57	-2.13
EsteeLauder	EL	261.63	-2.18
Etsy	ETSY	120.99	0.40
▲ EverestRe	RE	352.69	1.29
Evergy	EVRG	64.28	-0.50
EversourceEner	ES	85.71	-0.09
ExactSciences	**EXAS**	**58.82**	**11.63**
Exelon	EXC	44.15	0.48
Expedia	EXPE	93.77	-0.34
ExpeditorsIntl	EXPD	109.85	1.67
ExtraSpaceSt	EXR	147.30	-3.30
ExxonMobil	XOM	108.47	-2.06
F5	FFIV	143.40	1.76
FMC	FMC	128.97	3.51
FactSet	FDS	404.62	0.16
FairIsaac	FICO	593.87	-8.07
Fastenal	FAST	47.95	0.34
FederalRealty	FRT	102.90	-1.34
FedEx	FDX	189.74	3.97
Ferguson	FERG	139.10	-1.24
Ferrari	RACE	228.77	4.69
FidNatlFin	FNF	39.46	-0.45
FidNatlInfo	FIS	70.00	0.70
FifthThirdBncp	FITB	34.22	-0.25
FirstCitizBcshA	FCNCA	788.38	0.32
FirstHorizon	FHN	24.48	-0.07
FirstIndRlty	FR	48.82	-0.36
FirstRepBank	FRC	124.45	-2.08
FirstSolar	FSLR	159.17	2.37
FirstEnergy	FE	42.40	0.03
Fiserv	FISV	102.07	-0.11
FiveBelow	**FIVE**	**186.83**	**9.75**
FleetCorTech	FLT	190.70	3.49
Flex	FLEX	23.16	0.89
Floor&Decor	FND	79.00	1.90
FomentoEconMex	FMX	80.52	0.29
FordMotor	F	12.69	0.11
Fortinet	FTNT	49.41	0.72
Fortis	FTS	41.14	0.10
Fortive	FTV	65.81	0.27
FortuneBrandsInnov	FBIN	61.18	0.31
FoxA	FOXA	31.27	-0.48
FoxB	FOX	29.40	-0.40
Franco-Nevada	FNV	142.10	2.30
FranklinRscs	BEN	28.51	0.13
FreeportMcM	FCX	42.83	0.55
FreseniusMed	FMS	17.09	-0.29
FrontierComms	FYBR	27.13	0.31
FullTruck	YMM	9.50	-0.06
G H I			
GFLEnvironmental	GFL	30.81	-0.74
GSK	GSK	34.53	-0.39
Gallagher	AJG	191.76	-0.26
Gaming&Leisure	GLPI	50.84	0.28
Garmin	GRMN	98.23	0.10
Gartner	IT	329.15	0.53
GenDigital	GEN	21.49	-0.01
Generac	GNRC	104.74	3.99
GeneralDynamics	GD	245.21	-3.04
GeneralElec	GE	72.67	0.73
GeneralMills	GIS	84.68	-0.74
GeneralMotors	GM	35.92	0.01
Genmab	GMAB	42.77	-0.12
Genpact	G	46.52	-0.23
Gentex	GNTX	28.36	-0.40
GenuineParts	GPC	170.41	-0.43
Gerdau	GGB	5.88	0.06
GileadSciences	GILD	85.10	-2.98
GlobalPayments	GPN	106.46	1.29
GlobalFoundries	GFS	55.38	2.63
Globant	GLOB	166.14	5.86
GlobeLife	GL	120.28	-3.09
GlobusMedical	GMED	72.31	0.09
GoDaddy	GDDY	74.30	-0.22
GoldFields	GFI	11.87	-0.08
GoldmanSachs	GS	353.00	4.92
Grab	**GRAB**	**3.72**	**0.25**
Graco	GGG	69.10	0.51
Grainger	GWW	557.63	4.90
GraphicPkg	GPK	22.40	-0.42
Grifols	GRFS	8.92	-0.03
GpoAeroportuar	PAC	166.11	4.11
▲ GpoAeroportSur	ASR	259.15	2.41
HCA Healthcare	HCA	249.79	-4.73
HDFC Bank	HDB	67.40	...
HF Sinclair	DINO	50.16	-0.74
HP	HPQ	28.64	0.28
HSBC	HSBC	34.16	-0.15
H World	HTHT	43.80	0.11
Haleon	HLN	7.84	0.05
Halliburton	HAL	40.44	0.23
HalozymeTherap	HALO	55.04	-0.44
HarleyDavidson	HOG	43.25	-0.58
HartfordFinl	HIG	76.85	-2.05
Hasbro	HAS	63.70	-1.16
HealthcareRealty	HR	20.77	0.01
HealthpeakProp	PEAK	26.27	-0.47
Heico	HEI	155.73	-2.12
Heico A	HEI.A	121.18	-1.74
HenrySchein	HSIC	80.53	-1.08
Hershey	HSY	225.39	-0.26
Hess	HES	144.22	0.52
HessMidstream	HESM	31.18	-0.16
HewlettPackard	HPE	16.96	-0.15
Hilton	HLT	129.08	-1.17
▲ Hologic	HOLX	79.79	1.96
HomeDepot	HD	317.81	0.28
HondaMotor	HMC	24.13	0.17
Honeywell	HON	210.67	0.40
HorizonTherap	HZNP	113.11	0.11
HormelFoods	HRL	46.09	-0.82
DR Horton	DHI	92.77	-0.81
HostHotels	HST	16.20	0.03
▲ HowmetAerospace	HWM	40.08	-0.38
Hubbell	HUBB	231.38	2.51
HubSpot	**HUBS**	**286.60**	**14.46**
Humana	HUM	481.71	-10.83
JBHunt	JBHT	177.64	1.60
HuntingtonBcshs	HBAN	14.41	-0.19
HuntingIngalls	HII	221.56	-8.55
HyattHotels	H	96.70	1.48
ICICI Bank	IBN	21.36	0.09
ICL Group	ICL	7.57	0.07
IdexxLab	IDXX	448.08	0.31
ING Groep	ING	13.19	0.13
Invesco	IVZ	19.27	0.10
IQVIA	IQV	208.49	3.13
ITT	ITT	84.91	-0.35
IcahnEnterprises	IEP	52.61	-0.36
Icon	ICLR	201.14	0.69
IDEX	IEX	233.86	1.72
IllinoisToolWks	ITW	226.96	0.01
Illumina	ILMN	207.31	5.44
ImperialOil	IMO	47.93	-0.38
Incyte	INCY	78.82	-2.05
Infosys	INFY	18.00	0.19
IngersollRand	IR	55.78	0.66
Ingredion	INGR	97.82	-1.10
InspireMedical	INSP	243.00	-3.59
Insulet	PODD	296.27	3.96
Intel	INTC	29.31	0.58
InteractiveBrkrs	IBKR	74.83	1.18
ICE	ICE	105.24	0.34
InterContinentl	IHG	63.91	0.15
IBM	IBM	143.55	-0.15
IntlFlavors	IFF	111.37	1.36
IntlPaper	IP	37.01	0.37
Interpublic	IPG	35.55	-0.15
Intuit	INTU	395.34	9.60
IntuitiveSurgical	ISRG	264.93	-5.46
InvitatHomes	INVH	29.80	0.06
▲ IridiumComm	IRDM	59.26	-0.73
IronMountain	IRM	50.46	-0.23
ItauUnibanco	ITUB	4.82	0.04
J K L			
JD.com	JD	63.13	-1.17
JPMorganChase	JPM	137.37	-0.57
Jabil	JBL	71.30	3.32
JackHenry	JKHY	178.20	-0.10
JacobsSolns	J	125.78	-2.73
JamesHardie	JHX	19.66	0.49
JazzPharm	JAZZ	152.79	-6.00
JefferiesFin	JEF	37.75	0.30
J&J	JNJ	175.58	-4.67
JohnsonControls	JCI	66.78	-0.37

Stock	Sym	Close	Net Chg
JonesLang	JLL	168.43	0.11
JuniperNetworks	JNPR	31.83	-0.12
KB Financial	KB	45.75	0.61
KBR	KBR	49.27	-0.83
KE Holdings	BEKE	17.91	0.11
KKR	KKR	49.64	1.46
KLA	KLAC	408.33	10.74
KT	KT	13.76	0.08
Kanzhun	BZ	24.82	1.08
KarunaTherap	KRTX	190.51	-8.55
Kellogg	K	71.38	-1.07
KeurigDrPepper	KDP	36.03	-0.23
KeyCorp	KEY	18.19	-0.18
KeysightTechs	KEYS	176.61	1.19
KilroyRealty	KRC	37.47	-0.50
KimberlyClark	KMB	137.02	-1.43
KimcoRealty	KIM	21.09	-0.44
KinderMorgan	KMI	18.71	0.13
KinsaleCapital	KNSL	272.89	0.99
Knight-Swift	KNX	55.96	0.52
Philips	PHG	16.27	-0.20
KoreaElcPwr	KEP	7.98	0.06
KraftHeinz	KHC	42.20	-0.39
Kroger	KR	46.19	0.45
LKQ	LKQ	55.57	0.24
LPL Financial	LPLA	222.50	0.16
▼ L3HarrisTech	LHX	201.07	-5.11
LabCorp.ofAmerica	LH	243.45	0.43
LamResearch	LRCX	452.43	7.16
LamarAdv	LAMR	96.32	0.18
LambWeston	LW	98.66	-0.95
▲ LasVegasSands	LVS	52.78	1.21
LatticeSemi	LSCC	68.65	2.12
Lear	LEA	131.22	0.22
LegendBiotech	**LEGN**	**46.60**	**-2.99**
Leidos	LDOS	100.33	-4.62
Lennar B	LEN.B	78.49	-0.71
Lennar A	LEN	95.29	-0.37
LennoxIntl	LII	245.18	1.97
LeviStrauss	LEVI	16.84	0.32
LiAuto	**LI**	**22.04**	**1.11**
LibertyBroadbandA	LBRDA	83.07	-0.72
LibertyBroadbandC	LBRDK	83.52	-0.45
LibertyGlobal C	LBTYK	21.49	-0.07
LibertyGlobal A	LBTYA	20.89	0.02
LibertyFormOne A	FWONA	56.83	-1.20
LibertyFormOne C	FWONK	63.77	-1.41
▲ LibertyBraves A	BATRA	34.11	-0.46
▲ LibertyBraves C	BATRK	33.61	-0.39
LibertySirius A	LSXMA	40.50	-0.44
LibertySirius C	LSXMK	40.37	-0.42
LifeStorage	LSI	99.00	2.68
EliLilly	LLY	349.83	-13.11
▲ LincolnElectric	LECO	154.27	0.62
Linde	LIN	321.92	5.76
LiveNationEnt	LYV	72.26	-0.12
LloydsBanking	LYG	2.33	-0.01
LockheedMartin	LMT	458.99	-14.25
Loews	L	58.97	-1.50
LogitechIntl	LOGI	66.20	0.20
Lowe's	LOW	199.44	-1.53
Lucid	**LCID**	**6.78**	**0.42**
lululemon	**LULU**	**298.66**	**-30.60**
LyondellBasell	LYB	91.34	1.24
M N			
M&T Bank	MTB	148.55	-1.64
MGM Resorts	MGM	37.64	0.44
MKS Instrum	MKSI	98.40	0.92
MPLX	MPLX	33.61	0.02
MSCI	MSCI	480.54	11.53
MagellanMid	MMP	51.95	-0.56
MagnaIntl	MGA	60.72	-0.88
ManhattanAssoc	MANH	119.77	1.16
ManulifeFin	MFC	18.38	0.04
MarathonOil	MRO	27.03	0.43
MarathonPetrol	MPC	115.76	-1.06
Markel	MKL	1363.22	-20.77
MarketAxess	MKTX	319.10	5.10
Marriott	MAR	152.53	-0.85
Marsh&McLen	MMC	170.39	-0.57
MartinMarietta	MLM	345.13	-6.04
MarvellTech	MRVL	36.92	0.82
Masco	MAS	50.36	0.70
Masimo	MASI	154.64	0.29
MasTec	MTZ	94.00	2.38
Mastercard	MA	370.97	3.30
MatadorRscs	MTDR	56.32	1.50
MatchGroup	MTCH	43.87	1.52
Mattel	MAT	19.55	-0.36
McCormick	MKC	84.61	-1.69
McCormickVtg	MKC.V	84.64	-1.36
McDonald's	MCD	267.25	-2.22
McKesson	MCK	381.96	-4.09
MedicalProp	MPW	12.38	0.02
Medpace	MEDP	210.82	0.53
Medtronic	MDT	77.54	-3.32
MercadoLibre	MELI	897.31	23.84
Merck	MRK	110.38	-4.46
MetaPlatforms	META	129.47	-0.55
MetLife	MET	71.34	-2.24
MettlerToledo	MTD	1456.41	6.84
MicrochipTech	MCHP	73.80	1.03
MicronTech	MU	56.36	-0.41
Microsoft	MSFT	227.12	2.19
MidAmApt	MAA	155.76	-2.55
Middleby	MIDD	143.70	1.59
MitsubishiUFJ	MUFG	6.87	-0.07
MizuhoFin	MFG	2.87	-0.05
Mobileye	**MBLY**	**33.41**	**1.79**
Moderna	MRNA	183.95	3.60
MohawkInds	MHK	112.20	-2.03
MolinaHealthcare	MOH	296.40	-5.30
MolsonCoorsB	TAP	50.21	-0.67
Mondelez	MDLZ	67.24	-0.78
MongoDB	MDB	178.07	8.25
MonolithicPower	MPWR	383.46	16.01
MonsterBev	MNST	101.15	-1.28
Moody's	MCO	290.79	1.09
MorganStanley	MS	87.64	0.08
Morningstar	MORN	230.57	7.11
Mosaic	MOS	47.20	0.47
MotorolaSol	MSI	260.61	-3.23
MurphyOil	MUR	41.90	0.46
NICE	NICE	190.18	2.36
NIO	NIO	10.76	0.39
NOV	**NOV**	**22.87**	**1.12**
NRG Energy	NRG	32.64	0.44
NVR	NVR	4763.17	-33.65
NXP Semi	NXPI	160.97	1.34
Nasdaq	NDAQ	62.61	0.96
NationalGrid	NGG	62.87	-0.89
NatlRetailProp	NNN	46.56	-0.05
NatWest	NWG	6.79	-0.03
NetApp	NTAP	63.80	0.15
NetEase	NTES	79.52	-1.99
Netflix	NFLX	315.17	-0.38
Neurocrine	**NBIX**	**107.99**	**-15.03**
NewFortressEner	NFE	38.88	0.88
NewOrientalEduc	EDU	40.04	1.38
Newmont	NEM	52.22	-0.47
NewsCorp A	NWSA	19.07	0.07
NewsCorp B	NWS	19.27	0.07
NexstarMedia	NXST	182.78	-1.21
NextEraEnergy	NEE	84.07	0.42
Nike	NKE	124.85	0.32
NiSource	NI	27.88	0.27
Nokia	NOK	4.84	0.01
NomuraHoldings	NMR	3.79	-0.01
Nordson	NDSN	241.24	5.47
NorfolkSouthern	NSC	254.23	-1.56
NorthernTrust	NTRS	94.21	-0.46
NorthropGrum	NOC	495.41	-26.01
Novartis	NVS	89.95	-2.34
NovoNordisk	NVO	137.23	-1.41
Novocure	**NVCR**	**91.25**	**-17.79**
NuHoldings	NU	3.66	0.10
Nucor	NUE	141.07	-2.86
Nutrien	NTR	76.87	-0.46
nVentElectric	NVT	38.87	0.13
NVIDIA	**NVDA**	**156.28**	**7.69**
O P Q			
OGE Energy	OGE	39.85	0.69
ONEOK	OKE	67.69	1.12
OReillyAuto	ORLY	828.71	-13.81
OccidentalPetrol	OXY	64.08	0.33
Okta	OKTA	69.02	0.99
OldDomFreight	ODFL	306.37	5.67
OldRepublic	ORI	24.24	-0.80
Olin	OLN	56.03	-0.16
OmegaHealthcare	OHI	28.27	-0.39
Omnicom	OMC	85.70	-0.38
ON Semi	ON	64.65	2.18
OpenText	OTEX	30.84	0.37
Oracle	ORCL	86.42	1.08

Stock	Sym	Close	Net Chg
Orange	ORAN	10.52	-0.05
Organon	OGN	29.58	0.43
Orix	IX	80.79	...
OtisWorldwide	OTIS	81.47	-0.38
Ovintiv	OVV	49.89	1.80
OwensCorning	OC	90.09	0.29
PG&E	PCG	15.96	0.07
PNC Fin	PNC	164.28	0.07
POSCO	PKX	58.76	0.94
PPG Ind	PPG	128.87	0.37
PPL	PPL	30.17	0.21
PTC	PTC	125.96	3.27
Paccar	PCAR	99.79	-0.53
PackagingCpAm	PKG	132.48	0.29
PalantirTech	PLTR	6.50	0.10
PaloAltoNtwks	PANW	135.08	0.23
ParamountA	PARAA	22.72	0.45
ParamountB	PARA	19.55	0.52
ParkerHannifin	PH	309.52	0.97
Paychex	PAYX	117.41	-0.04
PaycomSoftware	PAYC	292.59	5.94
Paylocity	PCTY	186.35	6.63
PayPal	PYPL	77.08	0.60
Pearson	PSO	10.90	0.05
PembinaPipeline	PBA	34.57	0.44
PenskeAuto	PAG	115.40	-2.10
Pentair	PNR	47.49	0.69
Penumbra	PEN	226.00	-4.45
PepsiCo	PEP	179.33	-1.77
PerformanceFood	PFGC	59.11	-0.78
PerkinElmer	PKI	133.89	0.36
PetroleoBrasil	PBR	10.24	-0.04
PetroleoBrasilA	PBR.A	9.05	-0.04
Pfizer	PFE	48.39	-2.53
PhilipMorris	PM	102.30	-1.19
Phillips66	PSX	102.01	-3.69
▲ Pinduoduo	PDD	95.52	-0.44
PinnacleWest	PNW	75.55	0.09
Pinterest	PINS	24.88	0.42
PioneerNatRscs	PXD	230.16	-3.30
PlainsAllAmPipe	PAA	11.94	0.04
PlainsGP	PAGP	12.47	...
PlanetFitness	PLNT	82.36	2.54
PlugPower	**PLUG**	**14.22**	**0.81**
PolestarAuto	PSNY	5.55	-0.10
Pool	POOL	317.81	2.50
PrincipalFin	PFG	86.87	-0.59
Procter&Gamble	PG	152.04	-1.88
▲ Progressive	PGR	132.01	-2.60
Prologis	PLD	116.06	-0.59
ProsperityBcshs	PB	73.49	-0.90
PrudentialFin	PRU	98.26	-2.75
Prudential	PUK	30.31	0.52
PublicServiceEnt	PEG	63.49	0.85
PublicStorage	PSA	281.21	4.45
PulteGroup	PHM	48.13	-0.18
PureStorage	PSTG	26.40	-0.27
Qiagen	QGEN	50.31	0.31
Qorvo	QRVO	95.21	1.86
Qualcomm	QCOM	114.61	-0.73
QuantaServices	PWR	138.64	-0.48
QuestDiag	DGX	152.93	-2.71
R S			
RELX	RELX	28.19	-0.17
RH	RH	299.59	7.52
RPM	RPM	87.01	0.43
RalphLauren	RL	114.38	-1.59
RaymondJames	RJF	110.67	0.49
RaytheonTech	RTX	99.60	-2.86
RealtyIncome	O	64.70	0.62
RegalRexnord	RRX	130.00	3.99
RegencyCtrs	REG	62.53	-1.06
RegenPharm	**REGN**	**680.49**	**-56.66**
RegionsFin	RF	22.09	-0.30
ReinsGrp	RGA	143.98	-1.58
RelianceSteel	RS	205.69	-2.45
▲ RenaissanceRe	RNR	189.19	-3.64
RentokilInit	RTO	30.55	0.55
Repligen	RGEN	158.93	4.67
RepublicSvcs	RSG	127.73	-0.63
ResMed	RMD	209.69	0.80
RestaurantBrands	QSR	65.57	-0.09
RexfordIndlRealty	REXR	56.12	-0.05
ReynoldsCnsmr	REYN	30.03	-0.21
RioTinto	RIO	74.15	0.08
RitchieBros	RBA	58.44	-0.21
Rivian	RIVN	16.62	0.22
RobertHalf	RHI	75.41	-0.84
Robinhood	HOOD	8.55	0.30
Roblox	**RBLX**	**30.77**	**1.89**
RocketCos.	RKT	7.60	0.13
Rockwell	ROK	269.34	1.82
RogersComm B	RCI	47.70	0.13
▲ RoivantSciences	ROIV	9.42	0.17
Rollins	ROL	36.53	...
RoperTech	ROP	443.41	-0.26
RossStores	ROST	118.73	-2.84
RoyalBkCanada	RY	98.16	1.18
RoyalCaribbean	RCL	57.29	2.30
RoyalGold	RGLD	122.41	-2.38
RoyaltyPharma	RPRX	39.20	1.11
RyanSpecialty	RYAN	41.90	0.90
Ryanair	RYAAY	88.02	1.08
SAP	SAP	111.44	2.33
S&P Global	SPGI	350.34	2.50
SBA Comm	SBAC	291.39	-0.06
SEI Investments	SEIC	61.27	0.11
SK Telecom	SKM	21.06	-0.22

Stock	Sym	Close	Net Chg
SS&C Tech	SSNC	54.56	1.16
StoreCapital	STOR	32.08	0.01
SVB Fin	SIVB	249.43	3.64
Salesforce	CRM	147.10	6.59
Sanofi	SNY	48.51	0.37
SareptaTherap	SRPT	117.53	-4.74
Sasol	SSL	16.29	0.41
▲ Schlumberger	SLB	55.64	1.14
SchwabC	SCHW	85.43	0.89
Sea	SE	53.04	-2.65
Seagate	STX	55.34	-0.57
Seagen	**SGEN**	**127.59**	**-8.58**
SealedAir	SEE	52.83	0.36
Sempra	SRE	157.13	2.59
SensataTechs	ST	43.63	0.29
ServiceCorp	SCI	69.98	0.66
ServiceNow	NOW	378.56	12.03
ShawComm B	SJR	28.88	0.13
Shell	SHEL	58.07	0.82
SherwinWilliams	SHW	236.01	0.21
ShinhanFin	SHG	32.28	0.07
ShockwaveMed	SWAV	201.44	-6.77
Shopify	SHOP	37.19	0.34
Sibanye-Stillwater	SBSW	11.84	0.18
SignatureBank	SBNY	115.79	-0.51
SignifyHealth	SGFY	28.61	0.01
SimonProperty	SPG	118.32	-0.55
SiriusXM	SIRI	5.91	-0.08
SkechersUSA	SKX	45.78	1.19
Skyworks	SWKS	96.48	1.04
SmithAO	AOS	61.49	0.05
Smith&Nephew	SNN	28.60	-0.04
Smucker	SJM	160.33	-2.26
Snap	SNAP	9.20	-0.02
SnapOn	SNA	240.40	2.99
Snowflake	**SNOW**	**134.43**	**10.37**
SOQUIMICH	SQM	81.91	2.23
SolarEdgeTech	SEDG	284.14	2.33
Sony	SONY	82.62	1.23
Southern	SO	71.50	-0.13
SoCopper	SCCO	69.18	1.78
SouthwestAir	LUV	35.61	0.71
Splunk	SPLK	87.00	3.64
Spotify	SPOT	85.04	1.50
StanleyBlackDck	SWK	82.16	1.09
Starbucks	SBUX	104.74	-1.95
StateStreet	STT	80.91	0.23
SteelDynamics	STLD	101.38	-1.31
Stellantis	STLA	15.62	0.17
Steris	STE	190.85	-0.90
StifelFinancial	SF	60.44	0.34
STMicroelec	STM	39.57	1.46
Stryker	SYK	261.00	4.75
SumitomoMits	SMFG	8.06	-0.07
SunComms	SUI	143.78	0.34
SunLifeFinancial	SLF	47.11	-0.31
SuncorEnergy	SU	31.53	0.16
Suzano	SUZ	9.66	0.07
SynchronyFin	SYF	32.29	-0.51
Synopsys	SNPS	325.95	5.41
Sysco	SYY	79.20	0.49
T U V			
TC Energy	TRP	40.89	0.55
TD Synnex	SNX	100.20	0.93
TE Connectivity	TEL	121.41	1.01
Telus	TU	20.13	0.02
Ternium	TX	32.30	0.22
TFI Intl	TFII	105.41	1.68
▲ TJX	TJX	81.51	-1.21
T-MobileUS	TMUS	148.77	0.20
TPG	TPG	30.84	0.55
TRowePrice	TROW	114.85	2.56
TaiwanSemi	TSM	80.31	2.24
TakeTwoSoftware	TTWO	105.10	0.35
TakedaPharm	TAK	15.57	-0.01
Tapestry	TPR	41.25	0.20
TargaResources	TRGP	74.92	1.82
Target	TGT	156.35	-3.80
TataMotors	TTM	24.03	0.70
TeckRscsB	TECK	39.55	0.13
TeledyneTech	TDY	408.40	-0.14
Teleflex	TFX	257.15	-0.78
Ericsson	ERIC	6.08	-0.04
TelefonicaBras	VIV	7.18	-0.12
Telefonica	TEF	3.78	0.02
TelekmIndonesia	TLK	24.16	0.06
Tenaris	TS	33.82	0.71
TencentMusic	TME	8.70	-0.04
Teradyne	TER	93.21	1.97
Tesla	**TSLA**	**119.77**	**6.71**
TetraTech	TTEK	138.52	1.13
TevaPharm	TEVA	10.89	0.37
TexasInstruments	TXN	176.68	1.52
TexasPacLand	TPL	2064.20	-3.61
Textron	TXT	70.51	-1.34
ThermoFisher	TMO	546.09	11.09
ThomsonReuters	TRI	116.18	-0.50
3M	MMM	126.79	0.07
Toast	TOST	17.99	0.56
Toro	TTC	114.54	1.70
TorontoDomBk	TD	64.26	0.02
TotalEnergies	TTE	62.23	0.40
ToyotaMotor	TM	139.94	0.97
TractorSupply	TSCO	217.48	-4.16
TradeDesk	TTD	43.99	1.70
Tradeweb	TW	68.24	1.52
TraneTech	TT	178.08	-0.42

Stock	Sym	Close	Net Chg
TransDigm	TDG	650.82	1.79
TransUnion	TRU	62.82	1.60
Travelers	TRV	189.12	-4.75
Trimble	TRMB	52.24	0.74
▲ Trip.com	TCOM	37.68	-0.65
TruistFinl	TFC	45.80	-0.06
Twilio	TWLO	50.48	0.36
TylerTech	TYL	318.99	8.08
TysonFoods	TSN	65.71	-0.36
UBS Group	UBS	19.99	0.10
UDR	UDR	38.47	-0.23
UGI	UGI	39.95	0.49
U-Haul	UHAL	62.25	1.92
U-HaulDeCo.SeriesN	UHAL/B	58.16	0.49
US Foods	USFD	37.38	-0.16
Uber	UBER	27.40	1.00
Ubiquiti	UI	279.06	-0.76
UiPath	**PATH**	**12.70**	**1.00**
UltaBeauty	ULTA	484.76	-1.43
Unilever	UL	50.95	0.15
UnionPacific	UNP	211.46	-0.55
UnitedAirlines	UAL	43.35	1.11
UnitedMicro	UMC	7.28	0.28
UPS B	UPS	181.69	2.74
▲ UnitedRentals	URI	376.00	-1.34
US Bancorp	USB	46.61	0.30
US Steel	X	26.47	-0.43
UnitedTherap	UTHR	264.97	-11.20
UnitedHealth	UNH	490.06	0.06
UnitySoftware	**U**	**29.23**	**1.98**
UniversalHealthB	UHS	148.10	-3.86
UnumGroup	UNM	40.32	-0.82
VF	VFC	29.57	0.03
VICI Prop	VICI	31.98	0.18
VailResorts	MTN	252.24	3.76
Vale	VALE	17.52	-0.14
ValeroEnergy	VLO	128.58	1.02
ValmontInds	VMI	322.39	-3.41
VeevaSystems	VEEV	161.08	1.47
Ventas	VTR	47.81	-0.01
VeriSign	VRSN	208.25	2.94
VeriskAnalytics	VRSK	182.05	-0.83
Verizon	VZ	41.37	-0.17
VertexPharm	VRTX	283.23	-6.98
Viatris	VTRS	12.01	-0.09
▲ Vipshop	VIPS	14.90	-0.50
Visa	V	218.60	0.85
Vistra	VST	22.53	0.02
VMware	VMW	124.27	-1.87
Vodafone	VOD	10.74	-0.01
VoyaFinancial	VOYA	65.59	-0.37
VulcanMatls	VMC	178.02	-3.34
W X Y Z			
WEC Energy	WEC	96.56	1.79
WEX	WEX	170.00	2.67
W.P.Carey	WPC	81.06	0.45
WPP	WPP	53.42	1.18
Wabtec	WAB	100.91	-0.63
WalgreensBoots	WBA	36.35	-0.26
Walmart	WMT	144.95	-1.83
WarnerBrosA	WBD	11.61	0.29
WarnerMusic	WMG	38.59	0.68
WasteConnections	WCN	132.19	-0.62
WasteMgt	WM	158.24	-1.25
Waters	WAT	320.40	-1.81
Watsco	WSO	264.66	2.35
WebsterFin	WBS	47.35	-0.51
WellsFargo	WFC	42.39	-0.41
Welltower	WELL	69.27	-0.51
WescoIntl	WCC	132.46	2.23
WestFraserTimber	WFG	74.58	-0.79
WestPharmSvcs	WST	240.73	8.23
WestAllianceBcp	WAL	63.12	1.08
WesternDigital	WDC	37.59	0.42
WesternMidstrm	WES	27.19	0.07
Westlake	WLK	109.14	0.74
WestRock	WRK	36.65	-0.08
Weyerhaeuser	WY	31.42	-0.19
WheatonPrecMet	WPM	42.88	-0.42
Whirlpool	WHR	152.34	0.84
Williams	WMB	32.63	0.07
Williams-Sonoma	WSM	122.17	-1.59
▲ WillisTowers	WTW	255.06	1.63
WillScotMobile	WSC	45.12	0.23
Wipro	WIT	4.74	0.08
Wolfspeed	WOLF	72.78	2.21
WoodsideEnergy	WDS	24.25	0.47
WooriFin	WF	30.30	0.11
Workday	WDAY	162.93	1.79
WyndhamHtls	WH	70.16	-1.67
WynnResorts	WYNN	94.33	0.76
XP	XP	15.07	0.30
XcelEnergy	XEL	71.98	0.69
XPeng	XPEV	9.91	-0.20
Xylem	XYL	111.79	0.52
▲ YPF	YPF	9.75	0.30
Yum!Brands	YUM	129.76	-0.53
▲ YumChina	YUMC	58.95	0.93
ZTO Express	ZTO	28.02	0.39
ZebraTech	ZBRA	279.29	5.87
Zillow A	**ZG**	**37.78**	**2.82**
Zillow C	**Z**	**38.75**	**2.87**
ZimmerBiomet	ZBH	126.05	0.35
ZionsBancorp	ZION	51.02	-0.24
Zoetis	ZTS	147.06	-0.58
ZoomVideo	ZM	70.08	0.57
ZoomInfoTech	ZI	25.98	0.87
Zscaler	ZS	104.75	0.79

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COMMERCIAL REAL ESTATE

NOTICE OF SECURED PARTY PUBLIC AUCTION OF COLLATERAL INCLUDING 100% OF THE MEMBERSHIP INTERESTS IN CLAVER NY LLC

NOTICE IS HEREBY GIVEN that Jones Lang LaSalle, on behalf of BIG Real Estate Capital I, LLC, a Delaware limited liability company (the "Secured Party"), will offer for sale at public auction the following property:
all right, title and interest of Secured Party in the Collateral, as such term is defined in that certain Mezzanine Loan Agreement, dated as of November 1, 2018, by and between 35 Claver LLC, a Delaware limited liability company, as borrower ("the Debtor"), and the Secured Party, as lender, and that certain Pledge and Security Agreement, dated as of November 1, 2018, by and between the Debtor and the Secured Party, as such agreements may have been further amended or modified from time to time, including all of the Debtor's limited liability company membership interests in Claver NY LLC (the "Mortgage Borrower") (collectively, the "Collateral").

It is the understanding and belief of the Secured Party, but without any warranty or representation by the Secured Party as to accuracy or completeness, that the Collateral consists of, among other things, 100% of the membership interests of the Debtor in the Mortgage Borrower, the owner of the land and building known as 35 Claver Place, Brooklyn, New York.

The public auction will take place on **Friday, January 20, 2023 at 12:00 p.m. Eastern Prevailing Time in front of the Delaware Court of Chancery located at 500 North King Street, Wilmington, Delaware 19801**. The sale will be conducted virtually via online video conference; provided, however, that if, at the time of sale, applicable state and city laws and rules permit the sale to be conducted in-person, and if relevant building management rules permit the same, then Secured Party may conduct the sale both virtually and in-person in front of the Delaware Court of Chancery located at 500 North King Street, Wilmington, Delaware 19801. The URL address and password for the online video conference will be provided to all confirmed participants that have properly registered pursuant to the Terms of Sale.

All interested prospective purchasers are invited to become "qualified bidders." Only qualified bidders and their duly appointed agents and representatives may participate at the public auction. The terms of sale may be obtained by contacting Brett Rosenberg, JLL Capital Markets, T +1 212 812 5926, M +1 646 413 4861, e-mail Brett.Rosenberg@am.jll.com.

Dated: January 3, 2023, SILLS CUMMIS & GROSS, P.C., Attorneys for Secured Party, Attn: Robert Hempstead, Esq., 101 Park Avenue, 28th Floor, New York, NY 10178, Tel: (973) 643-5689, Fax: (973) 643-6500, E-mail: rhempstead@sillscummis.com

NOTICE OF SALE

NOTICE OF SECURED PARTY PUBLIC SALE OF INVENTORY AND EQUIPMENT

PLEASE TAKE NOTICE that, in accordance with the applicable provisions of the Uniform Commercial Code, HITACHI CONSTRUCTION MACHINERY CO. LTD., 16-1, HIGASHIUENO 2-CHOME, TAITO-KU, TOKYO, 110-0015, JAPAN ("Secured Party"), will sell certain inventory and equipment owned by ACME BUSINESS HOLDCO, LLC, 9175 E. Pima Center Parkway, Scottsdale, AZ 85258 and ACME LIFT COMPANY, L.L.C., 4751 E. Indigo St, Mesa, AZ 85205 (the "Collateral"), consisting of excavators, base machines, wheel loaders, telehandlers and crawler carriers and manufactured by Secured Party, JLG or John Deere Construction, to the highest qualified bidders at a public sale. The public sale will take place beginning at 2:00 p.m. Eastern Standard Time (New York) on January 19, 2023, both in person at and remotely from the offices of Paul Hastings LLP, 200 Park Avenue, 26 th Floor, New York, NY 10166, with access afforded in-person and remotely via Zoom or other web-based video conferencing and/or telephonic conferencing program selected by Secured Party. Remote log-in credentials will be provided to registered bidders at e-mail addresses provided by them. The Collateral will be sold to the highest qualified bidders; provided, however, that Secured Party reserves the right to cancel the sale in its entirety, or to adjourn the sale to a future date by announcement made at the time and place scheduled for the public sale. The Collateral will be offered for sale first as two (2) larger, bulk lots and then either as individual items or as a number of smaller lots, such individual items or smaller lots to be determined by the Secured Party and announced at the time of the public auction. Interested parties who intend to bid on the above Collateral must contact Takayuki Umabiki at t.umabiki.pf@hitachi-kenki.com or at 813-5826-8155 to receive the Terms of Sale, which include the bidding instructions. Interested parties who do not contact the Secured Party and qualify and register prior to the public sale will not be permitted to enter a bid or participate at the public sale either in person or remotely.

PAUL HASTINGS LLP
Attorneys for Secured Party
Attn: Harvey A. Strickon, Esq.
200 Park Avenue
New York, NY 10166
Tel: (212) 318-6380
Fax: (212) 230-7689
E-mail:
harveystrickon@paulhastings.com

Cash Prices

Monday, January 9, 2023

These prices reflect buying and selling of a variety of actual or "physical" commodities in the marketplace—separate from the futures price on an exchange, which reflects what the commodity might be worth in future months.

	Monday
Energy	
Coal,C.Aplc.,12500Btu,1.2SO2-r,w	138.000
Coal,PwdrRvrBsn,8800Btu,0.8SO2-r,w	15.500
Metals	
Gold, per troy oz	
Engelhard industrial	1877.00
Handy & Harman base	1878.85
Handy & Harman fabricated	2085.52
LBMA Gold Price AM	*1834.50
LBMA Gold Price PM	*1852.20
Krugerrand,wholesale-e	1957.60
Maple Leaf-e	2004.43
American Eagle-e	2004.43
Mexican peso-e	2416.74
Austria crown-e	1839.21
Austria phil-e	1966.97
Silver, troy oz.	
Engelhard industrial	23.9500
Handy & Harman base	23.8250
Handy & Harman fabricated	29.7820
LBMA spot price	*£19.8000
(U.S.$ equivalent)	*23.4550
Coins,wholesale $1,000 face-a	21589
Other metals	
LBMA Platinum Price PM	*1073.0
Platinum,Engelhard industrial	1100.0
Palladium,Engelhard industrial	1810.0
Aluminum, LME, $ per metric ton	*2242.5
Copper,Comex spot	4.0185
Iron Ore, 62% Fe CFR China-s	118.7
Shredded Scrap, US Midwest-s,m	n.a.
Steel, HRC USA, FOB Midwest Mill-s	720
Battery/EV metals	
BMI Lithium Carbonate, EXW China, =99.2%-v,w	75825
BMI Lithium Hydroxide, EXW China, =56.5% -v,w	78000
BMI Cobalt sulphate, EXW China, >20.5% -v,m	7488
BMI Nickel Sulphate, EXW China, >22%-v,m	5688
BMI Flake Graphite, FOB China, -100 Mesh, 94-95% -v,m	813
Fibers and Textiles	
Burlap,10-oz,40-inch NY yd-n,w	0.7350
Cotton,1 1/16 std lw-mdMphs-u	0.8672
Cotlook 'A' Index-t	*99.50
Hides,hvy native steers piece fob-u	n.a.
Wool,64s,staple,Terr del-u,w	n.a.

	Monday
Grains and Feeds	
Barley,top-quality Mnpls-u	n.a.
Bran,wheat middlings, KC-u,w	255
Corn,No. 2 yellow,Cent IL-bp,u	6.4300
Corn gluten feed,Midwest-u,w	212.1
Corn gluten meal,Midwest-u,w	679.2
Cottonseed meal-u,w	385
Hominy feed,Cent IL-u,w	218
Meat-bonemeal,50% pro Mnpls-u,w	400
Oats,No.2 milling,Mnpls-u	3.8400
Rice, Long Grain Milled, No. 2 AR-u,w	37.00
Sorghum,(Milo) No.2 Gulf-u	n.a.
SoybeanMeal,Cent IL,rail,ton48%-u,w	505.10
Soybeans,No.1 yllw IL-bp,u	14.6700
Wheat,Spring14%-pro Mnpls-u	11.2950
Wheat,No.2 soft red,St.Louis-u	7.5150
Wheat - Hard - KC (USDA) $ per bu-u	8.8850
Wheat,No.1soft white,Portld,OR-u	8.4750
Food	
Beef,carcass equiv. index	
choice 1-3,600-900 lbs.-u	256.89
select 1-3,600-900 lbs.-u	230.47
Broilers, National comp wtd. avg.-u,w	1.2301
Butter,AA Chicago-d	2.4200
Cheddar cheese,bbl,Chicago-d	182.50
Cheddar cheese,blk,Chicago-d	219.75
Milk,Nonfat dry,Chicago lb.-d	127.75
Coffee,Brazilian,Comp-y	1.6243
Coffee,Colombian, NY-y	2.1606
Eggs,large white,Chicago-u	4.6150
Flour,hard winter KC-p	20.60
Hams,17-20 lbs,Mid-US fob-u	0.78
Hogs,Iowa-So. Minnesota-u	79.97
Pork bellies,12-14 lb MidUS-u	n.a.
Pork loins,13-19 lb MidUS-u	1.0865
Steers,Tex.-Okla. Choice-u	157.00
Steers,feeder,Okla. City-u,w	n.a.
Fats and Oils	
Degummed corn oil, crude wtd. avg.-u,w	n.a.
Grease,choice white,Chicago-h	n.a.
Lard,Chicago-u	n.a.
Soybean oil,crude;Centl IL-u,w	0.6720
Tallow,bleach;Chicago-h	n.a.
Tallow,edible,Chicago-u	0.7900

KEY TO CODES: A=ask; B=bid; BP=country elevator bids to producers; C=corrected; D=CME; E=Manfra,Tordella & Brookes; H=American Commodities Brokerage Co; K=bi-weekly; M=monthly; N=nominal; n.a.=not quoted or not available; P=Sosland Publishing; R=SNL Energy; S=Platts-TSI; T=Cotlook Limited; U=USDA; V=Benchmark Mineral Intelligence; W=weekly; Y=International Coffee Organization; Z=not quoted. *Data as of 1/6

Source: Dow Jones Market Data

New Highs and Lows

The following explanations apply to the New York Stock Exchange, NYSE Arca, NYSE American and Nasdaq Stock Market stocks that hit a new 52-week intraday high or low in the latest session. **% CHG**-Daily percentage change from the previous trading session.

Monday, January 9, 2023

Stock	Sym	52-Wk Hi/Lo	% Chg
Highs			
ATI	ATI	33.74	-0.2
AchariVenturesI	AVHI	10.60	...
AditEdTech	ADEX.U	10.27	1.4
AffiliatedMgrs	AMG	169.25	2.5
AfricanGoldA	AGAC	10.08	0.1
AgileGrowthA	AGGR	10.13	...
AlbireoPharma	ALBO	44.36	92.2
AltaEquipment	ALTG	16.04	1.0
AltC Acqn	ALCC	10.03	0.2
AltEnergyAcqn	AEAEU	10.33	0.7
AltimarAcqnIIIA	ATAQ	10.13	0.1
AlvotechWt	ALVOW	1.98	33.1
Ametek	AME	146.42	-0.9
AmkorTech	AMKR	29.86	8.9
AmrytPharma	AMYT	14.64	107.3
AnzuSpecial I	ANZUU	10.54	0.1
APxAcqnI	APXIU	10.81	0.1
Aramark	ARMK	44.18	-0.6
ArctosNorthA	ANAC	10.14	0.3
Ardelyx	ARDX	3.05	-5.2
AresAcqnA	AAC	10.13	0.2
Arhaus	ARHS	12.23	13.7
ArogoCapital	AOGOU	10.21	0.3
ArogoCapA	AOGO	10.20	0.2
ArtesianRscs A	ARTNA	61.00	-1.1
AtourLifestyle	ATAT	20.50	11.4
AxcelisTechs	ACLS	93.75	5.4
BGSF	BGSF	15.80	1.2
ByteAcqnA	BYTS	10.11	0.3
BetterWorld	BWAC	10.53	0.2
BioCardiaWt	BCDAW	1.31	16.5
BioMarinPharm	BMRN	110.25	-1.5
BioPlusAcqnUn	BIOSU	10.35	...
BitBrother	BTB	11.90	0.6
BlackMountainA	BMAC	10.27	...
BlackSpadeA	BSAQ	10.09	0.2
BlueWorldWt	BWAQW	0.38	378.7
BlueRiverA	BLUA	10.12	0.1
BuildAcqnA	BGSX	10.09	0.6
CNH Indl	CNHI	17.06	-0.2
CassInfoSys	CASS	49.50	-0.1
CatchaInvt	CHAA.U	10.10	0.2
CatchaInvtA	CHAA	10.12	0.1
Caterpillar	CAT	250.97	-0.9
CentralPuerto	CEPU	6.44	1.9
ChainBridgeI	CBRGU	10.31	0.2
ChartIndsPfdConvB	GTLSpB	53.35	1.0
ChinaSoAirlines	ZNH	35.90	3.7
ChurchillVII A	CVII	10.02	0.1
Colonnade II A	CLAA	10.13	...
CommercialMetals	CMC	52.27	-0.6
ComputeHealth	CPUH.U	10.20	0.5
ComputeHlthA	CPUH	10.24	-0.2
ConagraBrands	CAG	41.30	-1.3
ConcordAcqnIIA	CNDA	10.04	...
CoreMoldingTech	CMT	13.70	4.5
CrownPropA	CPTK	10.16	0.1
CymaBayTherap	CBAY	6.46	0.2
DCP Midstream	DCP	42.08	0.1
DeckersOutdoor	DECK	412.95	2.1
DeepLakeCap	DLCAU	10.12	0.1
Dick's	DKS	130.19	0.2
ESM Acqn A	ESM	10.13	0.1
EastRscsAcqnA	ERES	10.23	...
EmpresaDisCom	EDN	10.08	6.6
Eneti	NETI	10.57	3.3
EpiphanyTechA	EPHY	10.09	0.8
EVeMobilityAcqnUn	EVE.U	10.53	2.6
EverestRe	RE	356.80	0.4
FastAcqnII A	FZT	10.07	0.1
FTACEmeraldA	EMLD	10.10	0.2
FtacHeraA	HERA	10.14	0.2
FarPeakAcqnA	FPAC	10.09	0.2
FibroGen	FGEN	20.18	0.6
FinVolution	FINV	5.58	1.7
FirstReserveA	FRSG	10.08	...
ForumMergerIV A	FMIV	10.06	0.1
FranklinWireless	FKWL	5.00	1.0
FreedomI A	FACT	10.13	0.1
FrontierAcqn	FRONU	10.11	0.1
FrontierAcqnA	FRON	10.11	0.1
FuelTech	FTEK	1.75	-2.4
GSquaredIIA	GSQB	10.17	0.2
GX Acqn II A	GXII	10.04	0.1
GenesisUnicornA	GENQ	10.20	0.1
GlobalinkInvt	GLLI	10.25	...
GoalAcqns	PUCK	10.07	0.1
GrafAcqnIV	GFOR	10.57	-0.5
Griffon	GFF	39.59	7.4
GpoAeroportSur	ASR	261.25	0.9
GpoFinGalicia	GGAL	11.46	2.7
H&E Equipment	HEES	48.74	-1.0

Continued on Page B10

Dividend Changes

Company	Symbol	Yld %	Amount New/Old	Frq	Payable / Record
Reduced					
MV Oil Trust	MVO	15.1	.41 / .685	Q	Jan25 / Jan17
Sabine Royalty Tr UBI	SBR	10.1	.6315 / 1.06786	M	Jan31 / Jan17
Initial					
Harrow Health Nts 2027	HROWM	11.8	.3381		Jan31 / Jan15
Stocks					
Guardion Health Sciences	GHSI		1:50		/ Jan09
Foreign					
Atlas	ATCO	3.3	.125	Q	Jan30 / Jan20
Atlas 7.95% Pfd. D	ATCOpD	8.1	.49687	Q	Jan30 / Jan27
Atlas Perp. Pfd. I	ATCOpI	8.7	.50	Q	Jan30 / Jan27
Atlas Pfd. Series H	ATCOpH	8.9	.49219	Q	Jan30 / Jan27

Sources: FactSet; Dow Jones Market Data

KEY: A: annual; M: monthly; Q: quarterly; r: revised; SA: semiannual; S2:1: stock split and ratio; SO: spin-off.

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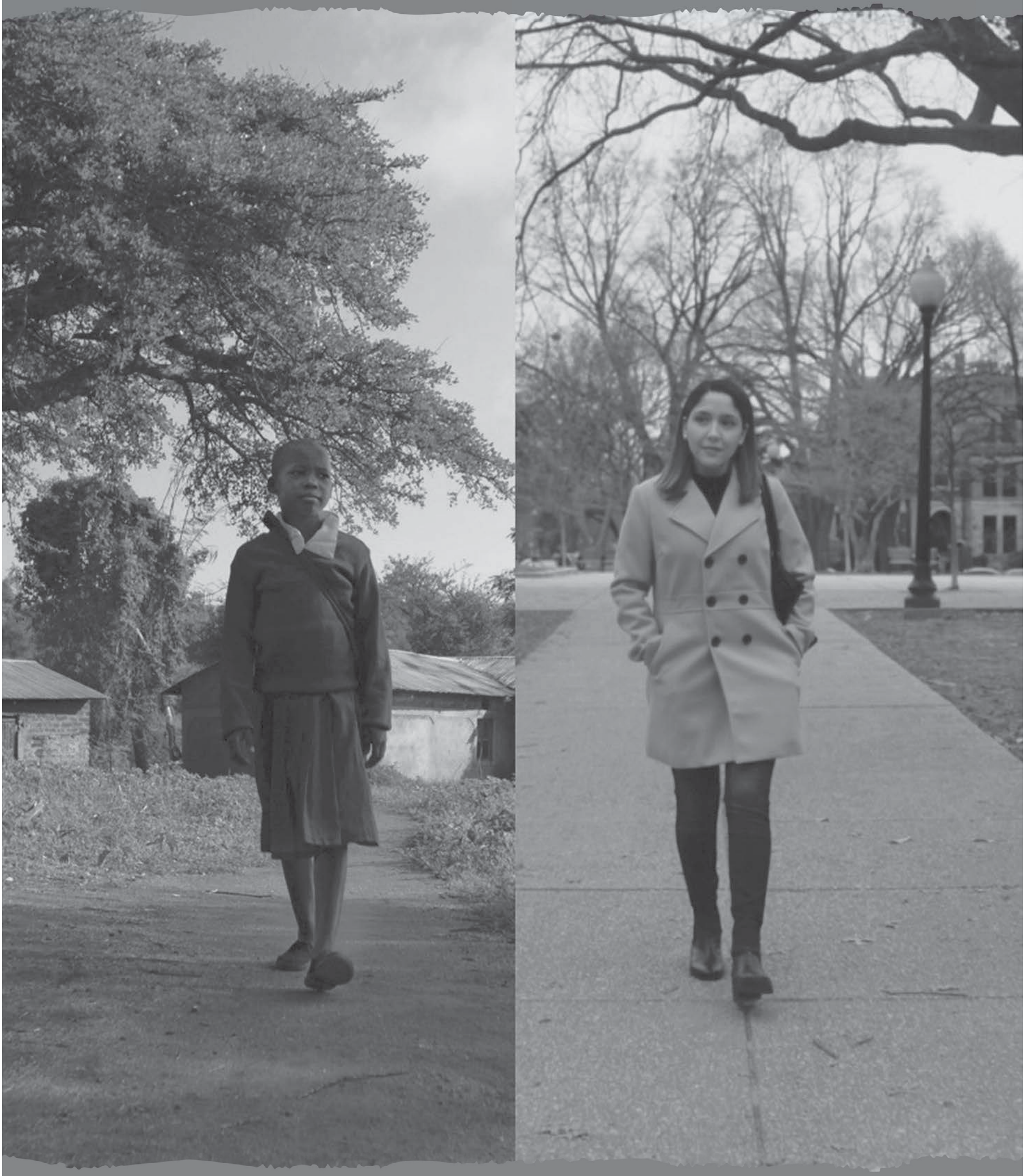

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MARKETS DIGEST

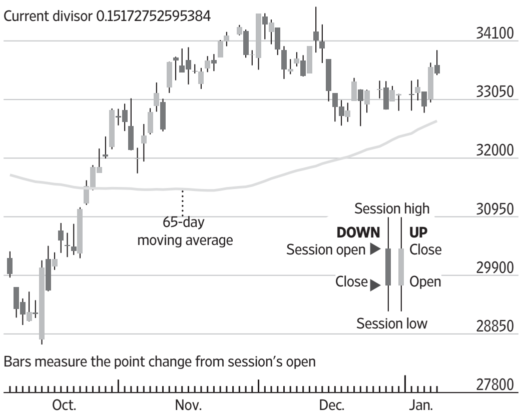
EQUITIES

Dow Jones Industrial Average

33517.65 ▼112.96, or 0.34%

High, low, open and close for each trading day of the past three months.

	Last	Year ago
Trailing P/E ratio	21.61	22.00
P/E estimate *	18.13	18.71
Dividend yield	2.05	1.92
All-time high	36799.65, 01/04/22	



S&P 500 Index

3892.09 ▼2.99, or 0.08%

High, low, open and close for each trading day of the past three months.

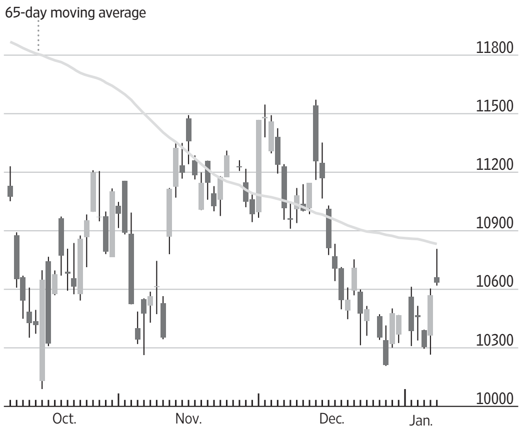
	Last	Year ago
Trailing P/E ratio *	18.42	28.76
P/E estimate *	16.92	21.25
Dividend yield *	1.79	1.29
All-time high	4796.56, 01/03/22	

Nasdaq Composite Index

10635.65 ▲ 66.36, or 0.63%

High, low, open and close for each trading day of the past three months.

	Last	Year ago
Trailing P/E ratio *†	23.47	38.37
P/E estimate *†	21.25	27.98
Dividend yield *†	1.02	0.64
All-time high:	16057.44, 11/19/21	



* Weekly P/E data based on as-reported earnings from Birinyi Associates Inc.; † Based on Nasdaq-100 Index

Major U.S. Stock-Market Indexes

	Latest High	Low	Close	Net chg	% chg	52-Week High	Low	% chg	% chg YTD	3-yr. ann.
Dow Jones										
Industrial Average	33935.11	33487.66	33517.65	-112.96	-0.34	36290.32	28725.51	-7.1	1.1	5.0
Transportation Avg	14201.21	13893.02	14018.51	142.32	1.03	16718.54	11999.40	-12.5	4.7	8.3
Utility Average	995.83	978.24	988.42	7.15	0.73	1071.75	838.99	2.7	2.2	4.2
Total Stock Market	39652.01	39073.87	39089.28	3.24	0.01	48002.87	36056.21	-17.6	1.5	5.3
Barron's 400	954.27	940.04	942.85	2.81	0.30	1085.48	825.73	-12.4	2.4	8.6
Nasdaq Stock Market										
Nasdaq Composite	10807.26	10619.12	10635.65	66.36	0.63	15188.39	10213.29	-28.8	1.6	4.9
Nasdaq-100	11304.84	11085.32	11108.45	68.10	0.62	15905.10	10679.34	-28.9	1.5	7.3
S&P										
500 Index	3950.57	3890.42	3892.09	-2.99	-0.08	4726.35	3577.03	-16.7	1.4	5.9
MidCap 400	2518.76	2488.94	2490.50	0.55	0.02	2807.04	2200.75	-10.5	2.5	6.6
SmallCap 600	1199.89	1184.60	1185.96	0.13	0.01	1388.27	1064.45	-14.0	2.5	5.3
Other Indexes										
Russell 2000	1817.09	1794.54	1795.91	3.11	0.17	2194.00	1649.84	-17.3	2.0	2.6
NYSE Composite	15703.02	15507.98	15514.44	-25.30	-0.16	17353.76	13472.18	-9.4	2.2	3.5
Value Line	560.77	552.53	554.30	1.77	0.32	669.31	491.56	-16.2	3.3	0.2
NYSE Arca Biotech	5442.55	5322.17	5332.03	-62.00	-1.15	5434.06	4208.43	1.7	1.0	1.2
NYSE Arca Pharma	882.27	860.90	862.32	-19.95	-2.26	887.27	737.84	5.5	-0.6	9.6
KBW Bank	106.01	104.64	104.80	-0.46	-0.44	147.56	94.66	-27.8	3.9	-2.3
PHLX§ Gold/Silver	133.91	131.22	131.33	-0.71	-0.54	167.76	91.40	3.8	8.7	9.3
PHLX§ Oil Service	88.34	86.45	86.94	1.80	2.11	88.37	56.08	44.3	3.7	3.8
PHLX§ Semiconductor	2745.85	2667.84	2686.75	50.65	1.92	3901.21	2162.32	-29.4	6.1	12.7
Cboe Volatility	21.98	21.27	21.97	0.84	3.98	36.45	17.62	13.2	1.4	20.6

§ Nasdaq PHLX

Sources: FactSet; Dow Jones Market Data

Late Trading

Most-active and biggest movers among NYSE, NYSE Arca, NYSE Amer. and Nasdaq issues from 4 p.m. to 6 p.m. ET as reported by electronic trading services, securities dealers and regional exchanges. Minimum share price of $2 and minimum after-hours volume of 50,000 shares.

Most-active issues in late trading

Company	Symbol	Volume (000)	After Hours Last	Net chg	% chg	High	Low
SPDR S&P 500	SPY	6,917.8	387.72	-0.15	-0.04	411.24	387.51
Radius Gl Infr Cl A	RADI	5,888.4	11.76	...	unch.	11.76	11.76
Bank of America	BAC	5,804.9	33.86	-0.03	-0.09	33.95	32.73
AT&T	T	5,610.7	19.04	-0.001	-0.01	19.30	19.00
VanEck Gold Miners	GDX	5,044.4	31.23	-0.03	-0.10	31.29	31.19
Taiwan Semiconductor ADR	TSM	4,553.6	80.31	...	unch.	80.43	80.15
AbCellera Biologics	ABCL	3,794.6	9.67	0.12	1.26	9.99	9.36
iSh Core MSCI Total Intl	IXUS	3,723.1	60.46	-0.03	-0.05	60.49	60.45

Percentage gainers…

Company	Symbol	Volume (000)	Last	Net chg	% chg	High	Low
Oak Street Health	OSH	95.9	27.56	4.99	22.11	31.87	22.57
Frontline	FRO	692.5	12.95	1.62	14.30	13.65	11.33
Kilroy Realty	KRC	190.9	39.30	1.83	4.88	39.30	37.41
LivePerson	LPSN	52.6	11.20	0.48	4.48	11.20	10.72
Tidewater	TDW	409.4	38.90	1.62	4.35	39.00	37.28

…And losers

Company	Symbol	Volume (000)	Last	Net chg	% chg	High	Low
Euronav	EURN	228.9	13.30	-2.64	-16.56	16.45	12.11
E2open Parent	ETWO	79.9	5.60	-0.29	-4.92	6.29	5.60
Coherent	COHR	135.7	36.97	-1.76	-4.54	39.25	36.97
MGIC Investment	MTG	688.2	12.15	-0.56	-4.41	12.71	12.15
Shoe Carnival	SCVL	57.7	23.40	-1.04	-4.26	24.44	23.40

Trading Diary

Volume, Advancers, Decliners

	NYSE	NYSE Amer.
Total volume*	915,602,864	11,321,882
Adv. volume*	532,993,887	6,721,461
Decl. volume*	373,402,126	3,850,119
Issues traded	3,221	308
Advances	1,907	181
Declines	1,194	106
Unchanged	120	21
New highs	100	2
New lows	9	2
Closing Arms†	0.98	0.64
Block trades*	4,319	125

	Nasdaq	NYSE Arca
Total volume*	5,132,191,715	333,210,186
Adv. volume*	3,431,984,967	182,007,615
Decl. volume*	1,671,197,811	134,636,017
Issues traded	4,817	1,765
Advances	2,759	1,201
Declines	1,842	536
Unchanged	216	28
New highs	117	15
New lows	38	8
Closing Arms†	0.73	1.42
Block trades*	31,148	1,586

* Primary market NYSE, NYSE American NYSE Arca only.
† (TRIN) A comparison of the number of advancing and declining issues with the volume of shares rising and falling. An Arms of less than 1 indicates buying demand; above 1 indicates selling pressure.

International Stock Indexes

Region/Country	Index	Close	Latest Net chg	% chg	YTD % chg
World	MSCI ACWI	621.93	4.53	0.73	2.7
	MSCI ACWI ex-USA	294.86	5.47	1.89	4.8
	MSCI World	2663.17	13.41	0.51	2.3
	MSCI Emerging Markets	1013.50	24.82	2.51	6.0
Americas	MSCI AC Americas	1479.11	0.28	0.02	1.5
Canada	S&P/TSX Comp	19857.07	42.56	0.21	2.4
Latin Amer.	MSCI EM Latin America	2180.71	−1.02	−0.05	2.5
Brazil	BOVESPA	109129.57	165.87	0.15	−0.6
Chile	S&P IPSA	3111.07	14.00	0.45	−1.9
Mexico	S&P/BMV IPC	52280.05	549.55	1.06	7.9
EMEA	STOXX Europe 600	448.35	3.93	0.89	5.5
Eurozone	Euro STOXX	437.32	4.82	1.11	6.7
Belgium	Bel-20	3856.91	10.36	0.27	4.2
Denmark	OMX Copenhagen 20	1874.22	1.24	0.07	2.1
France	CAC 40	6907.36	46.41	0.68	6.7
Germany	DAX	14792.83	182.81	1.25	6.2
Israel	Tel Aviv	1820.55	8.95	0.49	1.3
Italy	FTSE MIB	25385.09	204.74	0.81	7.1
Netherlands	AEX	736.18	11.92	1.65	6.8
Norway	Oslo Bors All-Share	1357.48	9.07	0.67	−0.4
South Africa	FTSE/JSE All-Share	78342.70	1483.76	1.93	7.2
Spain	IBEX 35	8694.90	−6.20	−0.07	5.7
Sweden	OMX Stockholm	833.88	19.89	2.44	6.7
Switzerland	Swiss Market	11212.57	68.03	0.61	4.5
Turkey	BIST 100	5170.97	−170.99	−3.20	−6.1
U.K.	FTSE 100	7724.94	25.45	0.33	3.7
U.K.	FTSE 250	19479.39	−25.33	−0.13	3.3
Asia-Pacific	MSCI AC Asia Pacific	161.77	2.97	1.87	3.9
Australia	S&P/ASX 200	7151.30	41.71	0.59	1.6
China	Shanghai Composite	3176.08	18.45	0.58	2.8
Hong Kong	Hang Seng	21388.34	396.70	1.89	8.1
India	S&P BSE Sensex	60747.31	846.94	1.41	−0.2
Japan	NIKKEI 225	25973.85	...	Closed	−0.5
Singapore	Straits Times	3305.67	28.95	0.88	1.7
South Korea	KOSPI	2350.19	60.22	2.63	5.1
Taiwan	TAIEX	14752.21	378.87	2.64	4.3
Thailand	SET	1691.12	17.26	1.03	1.3

Sources: FactSet; Dow Jones Market Data

Percentage Gainers…

Company	Symbol	Latest Session Close	Net chg	% chg	52-Week High	Low	% chg
CinCor Pharma	CINC	28.74	16.96	143.97	43.15	10.53	103.4
Amryt Pharma ADR	AMYT	14.51	7.51	107.29	14.64	5.61	44.4
Albireo Pharma	ALBO	43.85	21.03	92.16	44.36	16.02	69.6
Revance Therapeutics	RVNC	30.42	10.71	54.34	30.95	11.27	97.5
G Medical Innovations	GMVD	4.40	1.52	52.78	235.90	1.94	-95.2
Duck Creek Technologies	DCT	19.03	6.04	46.50	30.32	10.04	-34.4
Ebang International	EBON	6.22	1.80	40.72	56.40	2.52	-77.9
Yiren Digital ADR	YRD	2.66	0.56	26.67	3.15	0.67	-11.6
NanoString Technologies	NSTG	10.00	2.06	25.94	41.00	4.37	-73.3
CureVac	CVAC	10.36	2.10	25.42	30.95	5.63	-65.3
Exact Sciences	EXAS	58.82	11.63	24.65	84.46	29.27	-21.0
Paya Holdings Cl A	PAYA	9.69	1.90	24.39	9.72	4.51	56.8
Fate Therapeutics	FATE	5.27	1.03	24.29	49.52	4.02	-89.3
GraniteSh 1.5x Lg Coin	CONL	5.07	0.95	23.19	24.43	3.80	...
MicroCloud Hologram	HOLO	5.57	1.02	22.42	35.00	1.57	-44.1

Percentage Losers

Company	Symbol	Latest Session Close	Net chg	% chg	52-Week High	Low	% chg
Calithera Biosciences	CALA	0.66	-2.96	-81.77	14.87	0.63	-94.3
MultiMetaVerse	MMV	3.18	-8.46	-72.70	17.75	2.40	-68.3
AMTD Digital ADR	HKD	14.88	-8.06	-35.14	2555.30	9.31	...
Moolec Science	MLEC	12.99	-6.26	-32.52	42.25	4.35	31.6
Cerus	CERS	2.72	-1.06	-28.04	6.45	2.53	-56.5
Peak Bio	PKBO	2.56	-0.96	-27.27	15.00	2.45	-73.8
Cutera	CUTR	31.04	-9.41	-23.26	74.38	29.49	-15.2
Magic Empire Global	MEGL	2.16	-0.61	-22.02	249.94	1.20	...
Karyopharm Therapeutics	KPTI	2.84	-0.67	-19.09	14.73	2.45	-63.4
Arrowhead Pharm	ARWR	30.28	-7.10	-18.99	61.25	26.81	-49.1
XOMA	XOMA	18.01	-4.08	-18.47	32.09	15.68	-25.1
Oramed Pharmaceuticals	ORMP	9.55	-1.94	-16.88	13.73	3.59	-20.6
Novocure	NVCR	91.25	-17.79	-16.32	120.03	56.39	39.0
Harmony Biosciences	HRMY	45.02	-8.64	-16.10	62.09	31.54	20.5
Arvinas	ARVN	28.58	-5.47	-16.06	81.13	27.01	-59.0

Most Active Stocks

Company	Symbol	Volume (000)	% chg from 65-day avg	Latest Session Close	% chg	52-Week High	Low
Mullen Automotive	MULN	229,028	7.5	0.37	-3.15	4.64	0.18
Tesla	TSLA	189,464	72.3	119.77	5.93	384.29	101.81
ProShares UltraPro QQQ	TQQQ	184,891	-17.0	18.01	2.10	77.97	16.10
Direxion Dly SCOND 3 BL	SOXL	135,900	12.1	11.53	6.07	69.18	6.21
ProSh UltraPro Shrt QQQ	SQQQ	102,866	-18.9	51.28	-2.14	69.55	31.05
Apexigen	APGN	94,674	254717.3	1.80	105.13	31.35	0.61
Bed Bath Beyond	BBBY	88,644	619.1	1.62	23.66	30.06	1.27
SPDR S&P 500	SPY	73,619	-15.4	387.86	-0.06	473.20	348.11
Apple	AAPL	70,516	-15.7	130.15	0.41	179.61	124.17
Advanced Micro Devices	AMD	69,478	-6.7	67.24	5.13	141.25	54.57

* Volumes of 100,000 shares or more are rounded to the nearest thousand

Volume Movers

Ranked by change from 65-day average*

Company	Symbol	Volume (000)	% chg from 65-day avg	Latest Session Close	% chg	52-Week High	Low
Amryt Pharma ADR	AMYT	15,387	35110	14.51	107.29	14.64	5.61
MultiMetaVerse	MMV	15,907	18892	3.18	-72.70	17.75	2.40
TB SA Acquisition Cl A	TBSA	1,644	16397	10.12	0.20	10.30	9.67
Paya Holdings Cl A	PAYA	47,085	9545	9.69	24.39	9.72	4.51
RF Acquisition Cl A	RFAC	372	7052	10.13	-0.05	10.14	9.80
Gotham 1000 Value ETF	GVLU	1,544	5770	19.29	0.11	20.07	16.50
BNY Mellon US LC Core	BKLC	960	5072	70.90	-0.05	89.05	64.35
Bluescape Opps Acqn	BOAC	610	4538	9.80	-0.31	10.51	9.71
Pontem Cl A	PNTM	7,361	4326	10.15	0.20	10.16	9.72
iSh MSCI USA EW	EUSA	941	4019	74.95	0.25	88.95	65.35

* Common stocks priced at $2 a share or more with an average volume over 65 trading days of at least 5,000 shares †Has traded fewer than 65 days

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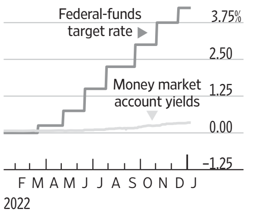
CREDIT MARKETS

Consumer Rates and Returns to Investor

U.S. consumer rates

A consumer rate against its benchmark over the past year



Selected rates

Money Market/Savings Accts

Bankrate.com avg†:	0.35%
TAB Bank	3.64%
Ogden, UT	800-355-3063
BrioDirect	3.75%
Montebello, NY	877-369-2746
MyBankingDirect	4.05%
Westbury, NY	516-683-4100
UFB Direct	4.11%
San Diego, CA	877-472-9200
CFG Community Bank	4.15%
Baltimore, MD	888-205-8388

Interest rate	Yield/Rate (%) Last	Week ago	52-Week Range (%) Low	High	3-yr chg (pct pts)
Federal-funds rate target	4.25-4.50	4.25-4.50	0.00	4.50	2.75
Prime rate*	7.50	7.50	3.25	7.50	2.75
Libor, 3-month	4.78	4.77	0.24	4.81	2.93
Money market, annual yield	0.35	0.34	0.07	0.35	-0.22
Five-year CD, annual yield	2.77	2.77	0.42	2.77	1.36
30-year mortgage, fixed†	6.61	6.87	3.46	7.41	2.91
15-year mortgage, fixed†	6.01	5.95	2.73	6.53	2.71
Jumbo mortgages, $726,200-plus†	6.60	6.93	3.49	7.44	2.43
Five-year adj mortgage (ARM)†	5.51	5.49	2.82	5.60	1.29
New-car loan, 48-month	6.54	6.53	3.41	6.69	2.08

Bankrate.com rates based on survey of over 4,800 online banks. *Base rate posted by 70% of the nation's largest banks.† Excludes closing costs.

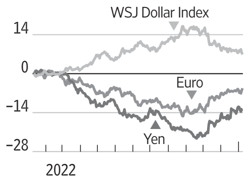
Sources: FactSet; Dow Jones Market Data; Bankrate.com

Treasury yield curve

Yield to maturity of current bills, notes and bonds

Forex Race

Yen, euro vs. dollar; dollar vs. major U.S. trading partners



Sources: Tradeweb ICE U.S. Treasury Close; Tullett Prebon; Dow Jones Market Data

Corporate Borrowing Rates and Yields

Bond total return index	Close	Yield (%) Last	Week ago	52-Week High	Low	Total Return (%) 52-wk	3-yr
U.S. Treasury, Bloomberg	2130.500	3.900	4.180	4.560	1.420	−9.322	−2.094
U.S. Treasury Long, Bloomberg	3318.910	3.780	4.080	4.570	2.070	−22.445	−6.146
Aggregate, Bloomberg	1993.010	4.400	4.680	5.210	1.960	−9.746	−2.092
Fixed-Rate MBS, Bloomberg	1984.490	4.410	4.710	5.380	2.220	−8.624	−2.483
High Yield 100, ICE BofA	3210.619	7.557	8.249	8.753	3.959	−6.401	0.070
Muni Master, ICE BofA	564.478	3.035	3.281	3.936	1.072	−5.565	−0.278
EMBI Global, J.P. Morgan	779.021	7.597	7.775	9.159	5.199	−13.421	−4.142

Sources: J.P. Morgan; Bloomberg Fixed Income Indices; ICE Data Services

CURRENCIES & COMMODITIES

Currencies

U.S.-dollar foreign-exchange rates in late New York trading

Country/currency	Mon in US$	per US$	US$ vs, YTD chg (%)
Americas			
Argentina peso	.0056	180.0715	1.9
Brazil real	.1903	5.2551	−0.6
Canada dollar	.7469	1.3390	−1.2
Chile peso	.001197	835.63	−1.5
Colombia peso	.000206	4851.39	0.06
Ecuador US dollar	1	1	unch
Mexico peso	.0522	19.1421	−1.8
Uruguay peso	.02508	39.8800	−0.2
Asia-Pacific			
Australian dollar	.6914	1.4463	−1.4
China yuan	.1477	6.7725	−1.8
Hong Kong dollar	.1281	7.8039	−0.03
India rupee	.01217	82.182	−0.7
Indonesia rupiah	.0000642	15568	unch
Japan yen	.007582	131.89	0.6
Kazakhstan tenge	.002162	462.55	−0.1
Macau pataca	.1243	8.0450	−0.04
Malaysia ringgit	.2285	4.3755	−0.7
New Zealand dollar	.6372	1.5694	−0.3
Pakistan rupee	.00438	228.285	0.7
Philippines peso	.0181	55.125	−1.0
Singapore dollar	.7515	1.3306	−0.8
South Korea won	.0008067	1239.69	−1.8
Sri Lanka rupee	.0027211	367.50	unch
Taiwan dollar	.03281	30.481	−0.5
Thailand baht	.02990	33.450	−3.4
Vietnam dong	.00004264	23452	−0.8
Europe			
Czech Rep. koruna	.04472	22.361	−0.9
Denmark krone	.1443	6.9303	−0.2
Euro area euro	1.0735	.9316	−0.3
Hungary forint	.002708	369.33	−1.1
Iceland krona	.006946	143.97	1.7
Norway krone	.1009	9.9143	1.1
Poland zloty	.2286	4.3749	−0.1
Russia ruble	.01430	69.915	−5.2
Sweden krona	.0961	10.4036	−0.3
Switzerland franc	1.0853	.9214	−0.4
Turkey lira	.0533	18.7726	0.4
Ukraine hryvnia	.0272	36.7500	−0.3
UK pound	1.2185	.8207	−0.7
Middle East/Africa			
Bahrain dinar	2.6525	.3770	−0.01
Egypt pound	.0362	27.6003	11.5
Israel shekel	.2881	3.4709	−1.5
Kuwait dinar	3.2697	.3058	−0.1
Oman sul rial	2.5974	.3850	unch
Qatar rial	.2736	3.655	−0.3
Saudi Arabia riyal	.2662	3.7564	−0.05
South Africa rand	.0590	16.9498	−0.4

	Close	Net Chg	% Chg	YTD % Chg
WSJ Dollar Index	96.05	−0.58	−0.60	−0.52

Sources: Tullett Prebon, Dow Jones Market Data

Commodities

	Close	Monday Net chg	% Chg	52-Week High	Low	% Chg	YTD % chg
DJ Commodity	1020.60	11.18	1.11	1264.48	961.29	6.17	-2.68
Refinitiv/CC CRB Index	268.64	3.81	1.44	329.59	236.64	13.52	-3.28
Crude oil, $ per barrel	74.63	0.86	1.17	123.70	71.02	-4.60	-7.01
Natural gas, $/MMBtu	3.910	0.200	5.39	9.680	3.710	-4.14	-12.63
Gold, $ per troy oz.	1872.70	8.50	0.46	2040.10	1623.30	4.13	2.91

COMMODITIES

wsj.com/market-data/commodities

Futures Contracts

Metal & Petroleum Futures

Contract	Open	High	hi lo	Low	Settle	Chg	Open interest
Copper-High (CMX)-25,000 lbs.; $ per lb.							
Jan	3.9435	4.0270	▲	3.9385	**4.0185**	0.1100	1,444
March	3.9235	4.0445	▲	3.9235	**4.0265**	0.1155	110,606
Gold (CMX)-100 troy oz.; $ per troy oz.							
Jan	1867.00	1880.00	▲	1867.00	**1872.70**	8.50	57
Feb	1872.80	1886.40	▲	1869.30	**1877.80**	8.10	361,072
March	1882.00	1893.00	▲	1881.40	**1885.30**	8.40	519
April	1886.40	1902.40	▲	1886.40	**1894.20**	8.30	66,140
June	1902.50	1918.70	▲	1902.50	**1910.70**	8.60	18,353
Aug	1920.70	1933.60	▲	1920.70	**1926.90**	8.10	6,709
Palladium (NYM) - 50 troy oz.; $ per troy oz.							
Jan	1768.00	1768.00		1748.50	**1766.70**	−31.30	
March	1814.50	1841.00	▲	1758.00	**1775.40**	−31.30	8,052
Platinum (NYM)-50 troy oz.; $ per troy oz.							
Jan	1093.70	1093.70		1090.00	**1086.30**	−6.30	176
April	1109.50	1115.60	▲	1089.30	**1098.60**	−5.70	70,356
Silver (CMX)-5,000 troy oz.; $ per troy oz.							
Jan					**23.712**	−0.110	22
March	24.025	24.285		23.725	**23.871**	−0.111	114,820
Crude Oil, Light Sweet (NYM)-1,000 bbls.; $ per bbl.							
Feb	73.47	76.74		73.47	**74.63**	0.86	209,910
March	73.87	76.97		73.79	**74.92**	0.88	209,157
April	74.08	77.13		74.08	**75.17**	0.91	91,791
June	74.36	77.23		74.33	**75.49**	0.99	166,568
Dec	73.01	75.45		73.00	**74.16**	1.02	182,893
Dec'24	69.84	71.48		69.68	**70.67**	0.99	74,947
NY Harbor ULSD (NYM)-42,000 gal.; $ per gal.							
Feb	3.0054	3.1069		2.9949	**3.0360**	.0315	73,121
March	2.9338	3.0179		2.9226	**2.9534**	.0320	49,562
Gasoline-NY RBOB (NYM)-42,000 gal.; $ per gal.							
Feb	2.2510	2.3356		2.2510	**2.2929**	.0483	76,988
March	2.2572	2.3404		2.2572	**2.2995**	.0480	49,162
Natural Gas (NYM)-10,000 MMBtu.; $ per MMBtu.							
Feb	3.810	4.128		3.781	**3.910**	.200	100,674
March	3.476	3.714		3.449	**3.563**	.171	189,296
April	3.395	3.601		3.361	**3.486**	.173	101,850
May	3.431	3.630		3.400	**3.534**	.182	107,214
Sept	3.707	3.867		3.665	**3.785**	.155	50,732
Oct	3.767	3.925		3.703	**3.844**	.146	57,589

Agriculture Futures

Contract	Open	High	hi lo	Low	Settle	Chg	Open interest
Corn (CBT)-5,000 bu.; cents per bu.							
March	655.50	657.00		650.75	**652.75**	−1.25	513,470
July	649.00	650.75		645.75	**647.25**	−1.00	226,875
Oats (CBT)-5,000 bu.; cents per bu.							
March	345.00	348.75	▼	336.25	**339.00**	−5.25	2,988
May	342.75	343.50	▼	338.00	**338.25**	−5.00	450
Soybeans (CBT)-5,000 bu.; cents per bu.							
Jan	1506.00	1513.00		1502.00	**1503.50**	2.00	2,068
March	1500.00	1501.75		1486.75	**1488.50**	−4.00	291,526
Soybean Meal (CBT)-100 tons; $ per ton.							
Jan	503.10	503.10	▲	494.70	**496.70**	−6.40	1,661
March	477.10	479.00	▲	468.70	**470.30**	−7.30	211,227
Soybean Oil (CBT)-60,000 lbs.; cents per lb.							
Jan	64.03	64.03		64.03	**63.91**	.18	40
March	63.66	64.43		62.87	**63.35**	.18	153,081
Rough Rice (CBT)-2,000 cwt.; $ per cwt.							
Jan	17.45	17.55		17.45	**17.64**	.15	37
March	17.85	17.97		17.70	**17.95**	.18	6,097
Wheat (CBT)-5,000 bu.; cents per bu.							
March	748.00	758.00		740.25	**741.50**	−2.00	159,473
July	759.75	769.50		753.00	**755.25**	−1.00	70,406
Wheat (KC)-5,000 bu.; cents per bu.							
March	835.25	842.75	▼	827.00	**828.50**	−3.50	83,950
May	832.50	838.75	▼	824.00	**825.25**	−2.75	28,464
Cattle-Feeder (CME)-50,000 lbs.; cents per lb.							
Jan	182.925	183.800		182.400	**183.625**	.925	5,618
March	185.650	186.500		185.150	**186.300**	.650	22,219
Cattle-Live (CME)-40,000 lbs.; cents per lb.							
Feb	156.700	158.175	▲▼	156.525	**157.750**	.975	126,552
April	160.575	162.000	▲▼	160.425	**161.525**	.850	97,412
Hogs-Lean (CME)-40,000 lbs.; cents per lb.							
Feb	80.350	81.625	▼	79.700	**80.800**	.525	64,088
April	89.750	91.425		89.600	**90.800**	1.150	51,879

Contract	Open	High	hi lo	Low	Settle	Chg	Open interest
Lumber (CME)-110,000 bd. ft., $ per 1,000 bd. ft.							
Jan	359.00	359.00	▼	348.60	**350.00**	−4.00	194
March	372.00	381.00		369.00	**379.90**	11.30	2,734
Milk (CME)-200,000 lbs., cents per lb.							
Jan	19.35	19.73	▲	19.31	**19.70**	.39	3,860
Feb	18.64	19.30	▲	18.59	**19.15**	.56	5,320
Cocoa (ICE-US)-10 metric tons; $ per ton.							
March	2,623	2,699	▲	2,621	**2,690**	85	123,268
May	2,612	2,700	▲	2,612	**2,694**	82	62,218
Coffee (ICE-US)-37,500 lbs.; cents per lb.							
March	158.30	161.20	▼	156.40	**158.05**	−.25	98,622
May	158.90	161.20	▼	156.75	**158.45**	−.05	46,246
Sugar-World (ICE-US)-112,000 lbs.; cents per lb.							
March	19.02	19.28	▼	18.92	**19.17**	.21	367,622
May	18.00	18.16	▼	17.89	**18.06**	.15	216,424
Sugar-Domestic (ICE-US)-112,000 lbs.; cents per lb.							
March					**35.80**	…	1,917
May					**35.79**	−.06	2,935
Cotton (ICE-US)-50,000 lbs.; cents per lb.							
March	85.67	87.97	▲	84.58	**86.22**	.54	93,854
May	85.68	87.58	▲	84.55	**86.14**	.49	38,422
Orange Juice (ICE-US)-15,000 lbs.; cents per lb.							
Jan	208.70	209.00		208.50	**208.90**	.20	14
March	206.50	208.75	▲	205.60	**207.40**	.95	9,894

Interest Rate Futures

Contract	Open	High	hi lo	Low	Settle	Chg	Open interest
Ultra Treasury Bonds (CBT) - $100,000; pts 32nds of 100%							
March	140-040	141-110		138-280	**141-050**	1-03.0	1,406,699
Treasury Bonds (CBT)-$100,000; pts 32nds of 100%							
March	129-050	130-010		128-160	**129-290**	22.0	1,194,653
June	129-280	130-310		129-210	**130-290**	22.0	230
Treasury Notes (CBT)-$100,000; pts 32nds of 100%							
March	114-075	114-235		114-000	**114-200**	13.0	3,883,327
June	114-270	115-085		114-190	**115-060**	13.5	266
5 Yr. Treasury Notes (CBT)-$100,000; pts 32nds of 100%							
March	109-012	109-117		108-285	**109-095**	8.7	4,134,154
2 Yr. Treasury Notes (CBT)-$200,000; pts 32nds of 100%							
March	102-268	102-316		102-247	**102-308**	4.0	2,284,667
June	103-091	103-108		103-073	**103-111**	4.0	41
30 Day Federal Funds (CBT)-$5,000,000; 100 - daily avg.							
Jan	95.6675	95.6700	▲▼	95.6675	**95.6675**	.0000	453,387
Feb	95.3600	95.3750	▲	95.3600	**95.3700**	.0100	385,112
10 Yr. Del. Int. Rate Swaps (CBT)-$100,000; pts 32nds of 100%							
March	104-095	104-270		104-050	**104-240**	14.5	16,259
Three-Month SOFR (CME)-$1,000,000; 100 - daily avg.							
Dec	95.5050	95.5125	▲	95.5050	**95.5100**	.0050	766,385
June'23	95.0650	95.1200	▲	95.0500	**95.1000**	.0350	1,287,496
Eurodollar (CME)-$1,000,000; pts of 100%							
Jan	95.1975	95.2125		95.1875	**95.2050**	.0125	149,935
March	94.9100	94.9450		94.9050	**94.9350**	.0200	884,913
Sept	94.9750	95.0500	▲	94.9550	**95.0350**	.0550	687,277
Dec	95.3350	95.4150	▲	95.2950	**95.4050**	.0700	717,512

Currency Futures

Contract	Open	High	hi lo	Low	Settle	Chg	Open interest
Japanese Yen (CME)-¥12,500,000; $ per 100¥							
Jan	.7589	.7623		.7546	**.7608**	.0026	635
March	.7633	.7681		.7602	**.7666**	.0026	173,138
Canadian Dollar (CME)-CAD 100,000; $ per CAD							
Jan	.7441	.7487	▲	.7439	**.7482**	.0037	241
March	.7444	.7491	▲	.7442	**.7485**	.0037	132,209
British Pound (CME)-£62,500; $ per £							
Jan	1.2117	1.2212	▲	1.2096	**1.2205**	.0105	856
March	1.2109	1.2229	▲	1.2109	**1.2222**	.0105	199,103
Swiss Franc (CME)-CHF 125,000; $ per CHF							
March	1.0854	1.0985	▲	1.0848	**1.0947**	.0089	32,567
June	1.0980	1.1096	▲	1.0969	**1.1060**	.0091	418
Australian Dollar (CME)-AUD 100,000; $ per AUD							
Jan	.6890	.6952	▲	.6879	**.6937**	.0052	424
March	.6894	.6968	▲	.6892	**.6952**	.0052	123,219
Mexican Peso (CME)-MXN 500,000; $ per MXN							
Jan	.05210	.05222	▲	.05205	**.05232**	.00014	141
March	.05163	.05179	▲	.05153	**.05178**	.00014	260,670
Euro (CME)-€125,000; $ per €							
Jan	1.0665	1.0768	▲	1.0650	**1.0757**	.0104	2,383
March	1.0690	1.0812	▲	1.0689	**1.0800**	.0106	721,342

Index Futures

Contract	Open	High	hi lo	Low	Settle	Chg	Open interest
Mini DJ Industrial Average (CBT)-$5 x index							
March	33790	34080	▲	33630	**33670**	−102	77,884
June	34021	34324	▲	33900	**33926**	−95	417
Mini S&P 500 (CME)-$50 x index							
March	3918.50	3973.25	▲	3909.75	**3913.75**	−1.75	2,007,262
June	3949.75	4007.25	▲	3943.25	**3947.50**	−1.75	8,652
Mini S&P Midcap 400 (CME)-$100 x index							
March	2509.40	2532.80	▲	2501.70	**2504.20**	.10	42,690
June					**2523.00**	.90	n.a.
Mini Nasdaq 100 (CME)-$20 x index							
March	11126.50	11385.50	▲	11120.25	**11185.50**	72.00	249,910
June	11261.00	11502.50	▲	11238.75	**11304.25**	74.00	1,115
Mini Russell 2000 (CME)-$50 x index							
March	1802.90	1828.50	▲	1802.60	**1805.90**	2.50	433,143
Mini Russell 1000 (CME)-$50 x index							
March	2161.00	2178.60	▲	2146.70	**2147.60**	−.60	6,958
U.S. Dollar Index (ICE-US)-$1,000 x index							
March	103.69	103.69	▼	102.68	**102.74**	−.90	40,193
June	103.35	103.35	▼	102.35	**102.41**	−.91	702

Source: FactSet

Bonds | wsj.com/market-data/bonds/benchmarks

Tracking Bond Benchmarks

Return on investment and spreads over Treasurys and/or yields paid to investors compared with 52-week highs and lows for different types of bonds

Total return close	YTD total return (%)	Index	Yield (%) Latest	Low	High
Broad Market Bloomberg Fixed Income Indices					
1993.01	2.2	U.S. Aggregate	4.400	1.960	5.210
U.S. Corporate Indexes Bloomberg Fixed Income Indices					
2940.97	2.5	U.S. Corporate	5.130	2.540	6.130
2822.30	1.4	Intermediate	5.060	2.060	6.050
3970.11	4.6	Long term	5.270	3.310	6.370
573.58	2.9	Double-A-rated	4.510	2.230	5.320
780.13	2.5	Triple-B-rated	5.400	2.770	6.440
High Yield Bonds ICE BofA					
477.03	3.0	High Yield Constrained	8.330	4.511	9.623
436.20	3.8	Triple-C-rated	14.831	7.895	16.916
3210.62	3.1	High Yield 100	7.557	3.959	8.753
415.82	2.5	Global High Yield Constrained	8.439	4.765	9.945
313.63	1.5	Europe High Yield Constrained	7.280	2.862	8.508
U.S Agency Bloomberg Fixed Income Indices					
1708.10	1.1	U.S Agency	4.350	1.320	4.910
1509.49	0.9	10-20 years	4.340	1.230	4.890
3313.23	3.8	20-plus years	4.510	2.330	5.240
2572.42	1.5	Yankee	4.990	2.210	5.840
Mortgage-Backed Bloomberg Fixed Income Indices					
1984.49	2.4	Mortgage-Backed	4.410	2.220	5.380
1952.45	2.4	Ginnie Mae (GNMA)	4.500	2.260	5.370
1168.60	2.5	Fannie mae (FNMA)	4.380	2.200	5.390
1783.76	2.1	Freddie Mac (FHLMC)	4.410	2.210	5.370
564.48	1.4	Muni Master	3.035	1.072	3.936
403.59	1.4	7-12 year	2.725	1.103	3.794
450.32	1.7	12-22 year	3.577	1.354	4.428
423.41	2.7	22-plus year	4.275	1.870	5.131
Global Government J.P. Morgan†					
530.04	1.6	Global Government	2.890	1.090	3.250
773.06	1.2	Canada	3.210	1.730	3.780
340.90	2.4	EMU§	2.985	0.522	3.308
635.03	2.5	France	2.790	0.400	3.110
453.06	2.2	Germany	2.230	-0.140	2.540
277.86	n.a.	Japan	0.990	0.370	1.020
491.89	2.6	Netherlands	2.490	0.050	2.800
785.25	0.3	U.K.	3.800	1.150	4.690
779.02	1.4	Emerging Markets **	7.597	5.199	9.159

*Constrained indexes limit individual issuer concentrations to 2%; the High Yield 100 are the 100 largest bonds † In local currency § Euro-zone bonds

** EMBI Global Index

Sources: ICE Data Services; Bloomberg Fixed Income Indices; J.P.Morgan

Global Government Bonds: Mapping Yields

Yields and spreads over or under U.S. Treasurys on benchmark two-year and 10-year government bonds in selected other countries; arrows indicate whether the yield rose(▲) or fell (▼) in the latest session

Coupon (%)	Country/ Maturity, in years	Yield (%) Latest	Previous	Month ago	Year ago	Spread Under/Over U.S. Treasurys, in basis points Latest	Prev	Year ago
4.250	**U.S.** 2	4.197 ▼	4.260	4.328	0.868			
4.125	10	3.516 ▼	3.570	3.567	1.769			
0.250	**Australia** 2	3.299 ▼	3.387	3.048	0.696	-90.5	-89.5	-17.0
1.750	10	3.732 ▼	3.834	3.303	1.847	21.3	27.1	7.9
0.000	**France** 2	2.713 ▲	2.683	2.166	-0.634	-149.0	-160.0	-150.0
2.000	10	2.722 ▲	2.720	2.394	0.292	-79.7	-84.3	-147.6
2.200	**Germany** 2	2.612 ▲	2.580	2.153	-0.588	-159	-170.3	-145.4
1.700	10	2.229 ▲	2.211	1.932	-0.040	-129.0	-135.1	-180.7
2.500	**Italy** 2	3.012 ▼	3.025	2.646	-0.035	-119.1	-125.8	-90.1
2.500	10	4.187 ▼	4.210	3.802	1.322	66.8	64.8	-44.6
0.005	**Japan** 2	0.017	0.017	-0.014	-0.077	-418.6	-426.6	-94.3
0.500	10	0.506	0.506	0.256	0.135	-301.4	-305.7	-163.3
0.000	**Spain** 2	2.837 ▼	2.855	2.415	-0.558	-136.7	-142.8	-142.4
2.550	10	3.288 ▲	3.253	2.937	0.647	-23.1	-31.0	-112.0
0.125	**U.K.** 2	3.420 ▲	3.395	3.415	0.839	-78.3	-88.8	-2.8
4.250	10	3.530 ▲	3.477	3.183	1.182	1.1	-8.6	-58.5

Source: Tullett Prebon, Tradeweb ICE U.S. Treasury Close

Corporate Debt

Prices of firms' bonds reflect factors including investors' economic, sectoral and company-specific expectations

Investment-grade spreads that tightened the most...

Issuer	Symbol	Coupon (%)	Yield (%)	Maturity	Spread*, in basis points Current	One-day change	Last week
Citigroup	C	4.400	4.40	June 10, '25	20	–56	n.a.
Intesa Sanpaolo	ISPIM	7.000	5.55	Nov. 21, '25	135	–19	n.a.
Lloyds Banking	LLOYDS	4.450	5.19	May 8, '25	99	–16	115
Protective Life Global Funding	...	5.366	4.98	Jan. 6, '26	105	–16	n.a.
Credit Suisse	CS	3.700	7.56	Feb. 21, '25	335	–15	n.a.
Metropolitan Life Global Funding I	...	5.050	4.82	Jan. 6, '28	112	–13	n.a.
Cooperatieve Rabobank	RABOBK	4.375	5.20	Aug. 4, '25	97	–9	n.a.
J. M. Smucker	SJM	4.250	5.00	March 15, '35	147	–9	n.a.

...And spreads that widened the most

Issuer	Symbol	Coupon (%)	Yield (%)	Maturity	Current	One-day change	Last week
J. M. Smucker	SJM	3.500	5.07	March 15, '25	87	20	n.a.
Bank of America	BAC	6.110	5.75	Jan. 29, '37	217	15	203
F&G Global Funding	...	2.000	5.27	Sept. 20, '28	161	13	n.a.
Sumitomo Mitsui Financial	SUMIBK	5.710	5.49	Jan. 13, '30	188	12	n.a.
NextEra Energy Capital Holdings	NEE	4.450	4.76	June 20, '25	56	10	n.a.
Royal Bank of Canada	RY	6.000	4.83	Nov. 1, '27	117	8	101
Delta Air Lines	DAL	7.000	5.71	May 1, '25	150	7	n.a.
KeyCorp	KEY	2.250	4.90	April 6, '27	122	7	n.a.

High-yield issues with the biggest price increases...

Issuer	Symbol	Coupon (%)	Yield (%)	Maturity	Bond Price as % of face value Current	One-day change	Last week
Transocean	RIG	6.800	10.92	March 15, '38	69.750	4.00	63.463
Telecom Italia Capital	TITIM	7.200	9.23	July 18, '36	84.500	2.47	81.220
Bausch Health	BHCCN	11.000	15.82	Sept. 30, '28	82.250	2.00	78.899
Ford Motor	F	7.450	6.64	July 16, '31	105.227	1.75	102.571
NAC Aviation 29 DAC	NACAVI	4.750	10.37	June 30, '26	83.985	1.74	n.a.
Societe Generale	SOCGEN	7.367	7.06	Jan. 10, '53	103.844	1.65	n.a.
CSC Holdings	CSCHLD	5.250	7.36	June 1, '24	97.250	1.20	93.250
Embarq	...	7.995	18.77	June 1, '36	47.750	1.00	46.750

...And with the biggest price decreases

Issuer	Symbol	Coupon (%)	Yield (%)	Maturity	Current	One-day change	Last week
Sensata Technologies	ST	5.625	5.20	Nov. 1, '24	100.711	–0.70	n.a.
Intesa Sanpaolo	ISPIM	5.710	6.55	Jan. 15, '26	97.734	–0.32	n.a.
American Airlines	AAL	11.750	7.42	July 15, '25	109.750	–0.27	107.750
Dish DBS	...	5.875	9.18	Nov. 15, '24	94.500	–0.25	93.431
Toledo Hospital	TOLHOS	5.325	9.85	Nov. 15, '28	80.250	–0.25	n.a.
Intelsat Jackson Holdings	INTEL	6.500	8.03	March 15, '30	91.782	–0.25	89.899
Sprint	S	7.125	5.36	June 15, '24	102.400	–0.23	n.a.
Ball	BALL	5.250	5.25	July 1, '25	100.000	–0.20	98.750

*Estimated spread over 2-year, 3-year, 5-year, 10-year or 30-year hot-run Treasury; 100 basis points=one percentage pt.; change in spread shown is for Z-spread.
Note: Data are for the most active issue of bonds with maturities of two years or more

Source: MarketAxess

Borrowing Benchmarks | wsj.com/market-data/bonds/benchmarks

Money Rates

January 9, 2023

Key annual interest rates paid to borrow or lend money in U.S. and international markets. Rates below are a guide to general levels but don't always represent actual transactions.

Inflation

	Nov. index level	Chg From (%) Oct. '22	Nov. '21
U.S. consumer price index			
All items	**297.711**	−0.10	7.1
Core	**299.600**	0.10	6.0

International rates

	Latest	Week ago	52-Week High	Low
Prime rates				
U.S.	**7.50**	7.50	7.50	3.25
Canada	**6.45**	6.45	6.45	2.45
Japan	**1.475**	1.475	1.475	1.475

	Latest	Week ago	52-WEEK High	Low
Policy Rates				
Euro zone	**2.50**	2.50	2.50	0.00
Switzerland	**1.50**	1.50	1.50	0.00
Britain	**3.50**	3.50	3.50	0.25
Australia	**3.10**	3.10	3.10	0.10
Overnight repurchase				
U.S.	**4.33**	4.36	4.36	0.01
U.S. government rates				
Discount				
	4.50	4.50	4.50	0.25
Federal funds				
Effective rate	**4.3400**	4.3400	4.3400	0.0800

	Latest	Week ago	52-WEEK High	Low
High	**4.6500**	4.6500	4.6500	0.1000
Low	**4.3100**	4.3000	4.3100	0.0500
Bid	**4.3200**	4.3200	4.3300	0.0600
Offer	**4.3400**	4.3400	4.3700	0.0800
Treasury bill auction				
4 weeks	**4.100**	3.830	4.100	0.020
13 weeks	**4.560**	4.350	4.560	0.120
26 weeks	**4.710**	4.600	4.710	0.275
Secondary market				
Fannie Mae 30-year mortgage yields				
30 days	**5.651**	6.004	6.812	2.941
60 days	**5.671**	6.031	6.988	2.978

Other short-term rates

	Latest	Week ago	52-Week high	low
Call money				
	6.25	6.25	6.25	2.00
Commercial paper (AA financial)				
90 days	**4.67**	4.56	4.71	0.17
Libor				
One month	**4.40429**	4.39157	4.40429	0.10300
Three month	**4.78257**	4.76729	4.81171	0.23829
Six month	**5.14100**	5.13886	5.22529	0.38300
One year	**5.46186**	5.48214	5.66643	0.67686
Secured Overnight Financing Rate				
	4.31	n.a.	4.32	0.04

	Latest	Value Traded	52-Week High	Low
DTCC GCF Repo Index				
Treasury	**4.316**	70.530	4.365	0.023
MBS	**4.361**	51.300	4.403	0.032

Notes on data:
U.S. prime rate is the base rate on corporate loans posted by at least 70% of the 10 largest U.S. banks, and is effective December 15, 2022. **Other prime rates** aren't directly comparable; lending practices vary widely by location; **Discount rate** is effective December 15, 2022. **Secured Overnight Financing Rate** is as of January 6, 2023. **DTCC GCF Repo Index** is Depository Trust & Clearing Corp.'s weighted average for overnight trades in applicable CUSIPs. Value traded is in billions of U.S. dollars. **Federal-funds rates** are Tullett Prebon rates as of 5:30 p.m. ET.

Sources: Federal Reserve; Bureau of Labor Statistics; DTCC; FactSet; Tullett Prebon Information, Ltd.

Key Interest Rates

Data are annualized on a 360-day basis. Treasury yields are per annum, on actively traded noninflation and inflation-indexed issues that are adjusted to constant maturities. Data are from weekly Federal Reserve release H.15.

	Week Ended Jan 6	Dec 30	52-Week High	Low
Federal funds (effective)	**4.33**	4.33	4.33	0.08
Commercial paper				
Nonfinancial				
1-month	**4.26**	4.25	4.28	0.07
2-month	**4.39**	4.37	4.39	0.09
3-month	**4.51**	4.45	4.51	0.15
Financial				
1-month	**4.37**	4.37	4.37	0.08
2-month	**4.49**	4.47	4.49	0.12
3-month	**4.59**	4.56	4.59	0.17
Discount window primary credit	**4.50**	4.50	4.50	0.25
Treasury yields at constant maturities				
1-month	**4.25**	3.97	4.25	0.03
3-month	**4.60**	4.45	4.60	0.09
6-month	**4.79**	4.75	4.79	0.23
1-year	**4.73**	4.73	4.76	0.41
2-year	**4.36**	4.35	4.61	0.83
3-year	**4.11**	4.18	4.54	1.10
5-year	**3.85**	3.96	4.32	1.43
7-year	**3.78**	3.94	4.23	1.62
10-year	**3.69**	3.86	4.12	1.70
20-year	**3.96**	4.12	4.44	2.11
Treasury yields (secondary market)				
1-month	**4.06**	3.76	4.06	0.03
3-month	**4.46**	4.34	4.46	0.09
6-month	**4.65**	4.59	4.65	0.23
TIPS				
5-year	**1.62**	1.63	1.81	-1.55
7-year	**1.53**	1.60	1.70	-1.24
10-year	**1.46**	1.58	1.66	-0.95
20-year	**1.49**	1.61	1.70	-0.48
Long-term avg	**1.65**	1.77	1.94	-0.30

Notes on data:
Federal-funds rate is an average for the seven days ended Wednesday, weighted according to rates on broker trades; **Commercial paper rates** are discounted offer rates interpolated from sales by discounted averages of dealer bid rates on nationally traded certificates of deposit; **Discount window primary credit rate** is charged for discounts made and advances extended under the Federal Reserve's primary credit discount window program; **rate** is average for seven days ended Wednesday; **Inflation-indexed long-term TIPS** average is indexed and is based on the unweighted average bid yields for all TIPS with remaining terms to maturity of 10 years or more;

Sources: Federal Reserve; for additional information on these rate data and their derivation, please see, https://www.federalreserve.gov/datadownload/Build.aspx?rel=H15

Mutual Funds

Data provided by LIPPER

Top 250 mutual-funds listings for Nasdaq-published share classes by net assets.

e-Ex-distribution. **f**-Previous day's quotation. **g**-Footnotes x and s apply. **j**-Footnotes e and s apply. **k**-Recalculated by Lipper, using updated data. **p**-Distribution costs apply, 12b-1. **r**-Redemption charge may apply. **s**-Stock split or dividend. **t**-Footnotes p and r apply. **v**-Footnotes x and e apply. **x**-Ex-dividend. **z**-Footnote x, e and s apply. **NA**-Not available due to incomplete price, performance or cost data. **NE**-Not released by Lipper; data under review. **NN**-Fund not tracked. **NS**-Fund didn't exist at start of period.

Monday, January 9, 2023

Fund	NAV	Net Chg	YTD %Ret
American Century Inv			
Ultra	55.63	+0.23	0.9
American Funds Cl A			
AmcpA	30.62	+0.17	1.8
AMutlA	48.88	-0.24	0.9
BalA	29.18	-0.03	1.5
BondA	11.62	+0.04	2.2
CapIBA	64.28	-0.04	2.0
CapWGrA	53.07	+0.22	2.9
EupacA	51.27	+0.65	4.6
FdInvA	61.55	+0.07	2.2
GwthA	50.58	+0.20	2.2
HI TrA	9.26	+0.05	2.3
ICAA	41.99	-0.04	1.8
IncoA	23.02	-0.05	1.7
N PerA	48.77	+0.25	3.1
NEcoA	44.41	+0.34	2.1
NwWrldA	68.84	+0.66	3.6
SmCpA	58.09	+0.59	3.5
TxExA	12.22	+0.04	1.5
WshA	52.33	-0.32	0.7
Artisan Funds			
IntlVal Inst	40.55	+0.17	5.1
Baird Funds			
AggBdInst	9.81	+0.04	2.2
CorBdInst	10.07	+0.03	2.0
BlackRock Funds			
HiYldBd Inst	6.82	+0.04	2.9
BlackRock Funds A			
GlblAlloc	16.81	+0.07	1.7
BlackRock Funds III			
iShS&P500IdxK	456.32	-0.27	1.4
BlackRock Funds Inst			
EqtyDivd	18.66	-0.03	2.1
StratIncOpptyIns	9.29	+0.02	1.1
Bridge Builder Trust			
CoreBond	9.01	+0.02	2.2
CorePlusBond	8.90	+0.03	2.3
Intl Eq	11.22	+0.06	4.7
LargeCapGrowth	17.30	+0.08	1.2
LargeCapValue	15.29	-0.07	1.9
MunicipalBond	9.81	+0.02	1.2
Calamos Funds			
MktNeutI	13.84	+0.01	0.6
Columbia Class I			
DivIncom I	29.21	-0.18	1.0
Dimensional Fds			
5GlbFxdInc	9.87	...	0.4
EmgMktVa	27.64	+0.29	4.5
EmMktCorEq	21.17	+0.25	5.1
IntlCoreEq	14.02	+0.08	3.8
IntSmCo	18.01	+0.11	3.4
IntSmVa	19.39	+0.08	3.1
LgCo	26.52	-0.02	1.4
US CoreEq1	30.35	-0.03	1.9
US CoreEq2	27.66	-0.04	1.9
US Small	39.64	-0.01	2.4
US SmCpVal	40.27	-0.06	2.5
US TgdVal	28.11	-0.02	2.6
USLgVa	42.37	-0.25	2.1
Dodge & Cox			
Balanced	95.63	+0.06	2.4
GblStock	13.13	+0.02	4.1
Income	12.48	+0.05	2.4
Intl Stk	45.09	+0.20	4.6
Stock	220.33	-0.55	2.1
DoubleLine Funds			
TotRetBdI	8.98	+0.03	2.4
Edgewood Growth Instituti			
EdgewoodGrInst	32.35	+0.38	3.4
Fidelity			
500IdxInstPrem	135.01	-0.07	1.4
Contrafund K6	16.98	-0.03	0.9
ExtMktIdxInstPre	64.34	+0.31	2.1
FidSerToMarket	12.82	...	1.5
GrowthCompanyK6	15.62	...	1.5
InflPrBdIndInsPr	9.16	+0.02	1.6
IntlIdxInstPrem	42.83	+0.22	4.0
LgCpGwld InstPre	20.99	+0.10	0.8
MidCpInxInstPrem	26.55	+0.07	2.4
SAIUSLgCpIndxFd	17.04	-0.01	1.4
SeriesBondFd	9.07	+0.03	2.3
SeriesOverseas	11.33	+0.11	4.3
SerLTTreBdIdx	6.18	+0.03	5.5
SmCpIdxInstPrem	22.13	+0.04	2.0
TMktIdxInstPrem	107.59	+0.02	1.5
TotalMarketIndex	13.55	...	1.5
USBdIdxInstPrem	10.41	+0.03	2.3
Fidelity Freedom			
FF2020	13.12	+0.05	2.8
FF2025	12.06	+0.04	2.9
FF2030	15.07	+0.05	3.0
FF2035	12.96	+0.04	3.0
FF2040	9.17	+0.03	3.1
Freedom2030 K	15.06	+0.05	3.0
Freedom2040 K	9.18	+0.03	3.1
Idx2030InsPre	17.26	+0.05	2.7
Idx2035InsPre	19.24	+0.06	2.8
Idx2040InsPre	19.50	+0.06	2.8
Fidelity Invest			
Balanc	23.32	+0.04	1.7
BluCh	114.11	+0.93	1.5
Contra	12.19	-0.02	0.8
CpInc	9.24	+0.06	2.6
GroCo	22.80	+0.02	1.3
InvGrBd	10.08	+0.03	2.4
LowP	46.67	-0.06	1.0
Magin	10.81	+0.07	1.1
NASDAQ	134.04	+0.84	1.6
OTC	13.01	+0.04	1.4
Puritn	20.82	...	1.6
SAIUSQtyIdx	15.41	-0.06	0.7
SrsEmrgMkt	16.67	+0.16	6.7
SrsGlobal	12.92	+0.09	4.6
SrsGroCoRetail	13.97	...	1.5
SrsIntlGrw	14.91	+0.12	4.6
SrsIntlVal	10.37	+0.04	3.4
TotalBond	9.55	+0.03	2.4
Fidelity SAI			
TotalBd	9.04	+0.03	2.5
U.S.TreBdIdx	8.84	+0.02	2.2
First Eagle Funds			
GlbA	59.79	+0.08	3.1
Franklin A1			
IncomeA1	2.32	+0.01	2.7
FrankTemp/Frank Adv			
IncomeAdv	2.30	+0.01	2.7
FrankTemp/Franklin A			
Growth A	103.56	+0.65	1.4
RisDv A	83.19	-0.17	0.7
Guggenheim Funds Tru			
TotRtnBdFdClInst	23.80	+0.08	2.7
Harbor Funds			
CapApInst	63.81	+0.47	1.7
Harding Loevner			
IntlEq	24.50	+0.20	4.6
Invesco Funds A			
EqIncA	10.04	-0.02	2.2
Invesco Funds Y			
DevMktY	36.85	+0.43	5.4
JHF III DispVal			
DispValMCI	25.09	-0.05	2.7
John Hancock			
BondR6	13.66	+0.05	2.5
JPMorgan I Class			
CoreBond	10.32	+0.03	2.3
EqInc	22.81	-0.16	1.1
LgCpGwth	45.02	-0.02	0.6
JPMorgan R Class			
CoreBond	10.34	+0.03	2.3
CorePlusBd	7.30	+0.03	2.5
Lord Abbett A			
ShtDurIncmA p	3.86	+0.01	0.6
Lord Abbett I			
ShtDurInc p	3.85	...	0.6
Metropolitan West			
TotRetBdI	9.27	+0.04	2.6
TRBdPlan	8.69	+0.03	2.5
MFS Funds			
IIE	29.38	+0.22	4.4
MFS Funds Class I			
GrowthI	133.81	+0.71	0.9
ValueI	48.43	-0.27	1.3
Neuberger Berman Fds			
LCVal Inst	43.62	-0.31	1.3
Northern Funds			
StkIdx	41.40	-0.03	NA
Old Westbury Fds			
LrgCpStr	14.86	+0.02	1.9
Parnassus Fds			
ParnEqFd	47.95	+0.19	2.2
PGIM Funds Cl Z			
TotalReturnBond	11.99	+0.04	2.3
PIMCO Fds Instl			
AllAsset	10.75	+0.05	NA
TotRt	8.64	+0.02	NA
PIMCO Funds A			
IncomeFd	10.53	+0.03	NA
PIMCO Funds I2			
Income	10.53	+0.03	NA
PIMCO Funds Instl			
IncomeFd	10.53	+0.03	NA
Price Funds			
BlChip	104.14	+0.84	0.6
DivGro	64.68	-0.12	0.9
Growth	62.40	+0.62	1.3
HelSci	87.86	-1.19	-2.2
LgCapGow I	46.14	+0.36	0.5
MidCap	90.73	+0.28	2.3
NHoriz	46.59	+0.63	0.6
R2020	17.07	+0.04	NA
R2025	14.93	+0.05	NA
R2030	22.35	+0.06	NA
R2040	25.00	+0.07	NA
Putnam Funds Class A			
PutLargCap p	28.62	-0.15	1.5
Schwab Funds			
1000 Inv r	NA	...	NA
S&P Sel	NA	...	NA
TSM Sel r	NA	...	NA
TIAA/CREF Funds			
EqIdxInst	27.55	...	1.5
IntlEqIdxInst	19.86	+0.10	4.0
VANGUARD ADMIRAL			
500Adml	359.12	-0.21	1.4
BalAdml	40.37	+0.05	1.8
CAITAdml	11.26	+0.03	1.2
CapOpAdml r	151.18	+0.22	3.5
DivAppIdxAdm	41.79	-0.14	1.4
EMAdmr	34.18	+0.35	5.5
EqIncAdml	85.79	-0.68	1.4
ExplrAdml	88.69	+0.43	2.1
ExtndAdml	102.94	+0.49	2.1
GNMAAdml	9.38	+0.03	2.1
GrwthAdml	111.17	+0.88	1.3
HlthCareAdml r	88.45	-0.91	-1.5
HYCorAdml r	5.28	+0.03	2.6
InfProAd	23.54	+0.06	1.6
IntlGrAdml	96.15	+1.28	6.4
ITBondAdml	10.31	+0.03	2.3
ITIGradeAdml	8.51	+0.03	2.4
LarCapAd	89.18	-0.02	1.4
LTGradeAdml	8.17	+0.05	4.8
MidCpAdml	258.21	+0.81	2.3
MuHYAdml	10.45	+0.04	2.0
MuIntAdml	13.52	+0.03	1.3
MuLTAdml	10.74	+0.03	1.8
MuLtdAdml	10.74	+0.01	0.7
MuShtAdml	15.62	+0.01	0.4
PrmcpAdml r	135.22	+0.07	3.3
RealEstatAdml	119.55	-0.04	2.3
SmCapAdml	90.06	+0.22	2.4
SmGthAdml	72.12	+0.58	2.3
STBondAdml	9.95	+0.01	0.9
STIGradeAdml	10.03	+0.02	0.9
STIPSIxAdm	23.47	+0.01	0.2
TotBdAdml	9.69	+0.03	2.3
TotIntBdIdxAdm	19.27	-0.01	1.7
TotIntlAdmIdx r	29.08	+0.22	4.4
TotStAdml	94.49	+0.01	1.5
TxMCapAdml	200.81	+0.09	1.5
TxMIn r	14.06	+0.10	4.0
USGroAdml	102.61	+0.85	1.3
ValAdml	55.52	-0.43	1.4
WdsrIIAdml	67.29	...	1.7
WellsIAdml	60.48	-0.01	2.1
WelltnAdml	67.29	+0.04	1.4
WndsrAdml	70.31	-0.09	3.0
VANGUARD FDS			
DivdGro	35.34	-0.24	0.3
IntlVal	37.69	+0.26	5.5
LifeCon	19.52	+0.04	2.3
LifeGro	36.94	+0.11	2.5
LifeMod	28.10	+0.07	2.4
PrmcpCor	28.06	+0.02	3.2
STAR	24.88	+0.11	3.0
TgtRe2020	25.89	+0.05	2.1
TgtRe2025	17.06	+0.04	2.3
TgtRe2030	32.14	+0.08	2.5
TgtRe2035	19.83	+0.05	2.5
TgtRe2040	34.86	+0.10	2.5
TgtRe2045	23.41	+0.07	2.6
TgtRe2050	38.78	+0.12	2.6
TgtRe2060	39.84	+0.12	2.6
TgtRet2055	43.26	+0.13	2.6
TgtRetInc	12.48	+0.02	2.0
WellsI	24.97	...	2.1
Welltn	38.97	+0.02	1.4
WndsrII	37.93	-0.01	1.7
VANGUARD INDEX FDS			
ExtndIstPl	254.01	+1.20	2.1
IdxIntl	17.38	+0.13	4.3
MdCpGrAdml	78.46	+0.62	1.4
MdCpVlAdml	72.20	-0.06	3.0
SmValAdml	69.96	-0.09	2.5
TotBd2	9.57	+0.02	2.2
TotIntlInstIdx r	116.27	+0.87	4.4
TotItlInstPlId r	116.30	+0.87	4.4
TotSt	94.47	+0.01	1.5
VANGUARD INSTL FDS			
BalInst	40.38	+0.06	1.8
DevMktsIndInst	14.08	+0.10	4.1
DevMktsInxInst	22.00	+0.15	4.0
ExtndInst	102.93	+0.49	2.1
GrwthInst	111.18	+0.89	1.3
InPrSeIn	9.59	+0.02	1.7
InstIdx	326.18	-0.19	1.4
InstPlus	326.17	-0.19	1.4
InstTStPlus	68.03	+0.01	1.5
MidCpInst	57.04	+0.18	2.3
MidCpIstPl	281.31	+0.88	2.3
RealEstaInstl	18.50	-0.01	2.3
SmCapInst	90.06	+0.23	2.4
SmCapIstPl	259.95	+0.66	2.4
STIGradeInst	10.03	+0.02	0.9
STIPSIxins	23.49	+0.02	0.2
TotBdInst	9.69	+0.03	2.3
TotBdInst2	9.57	+0.02	2.2
TotBdInstPl	9.69	+0.03	2.3
TotIntBdIdxInst	28.91	-0.02	1.7
TotStInst	94.50	+0.01	1.5
ValueInst	55.51	-0.44	1.4
WCM Focus Funds			
WCMFocIntlGrwIns	20.47	+0.23	4.1
Western Asset			
CorePlusBdI	9.67	+0.05	NA

BANKING & FINANCE

Secondary Investors Wait For the Deal Levee to Break

Uncertainty about valuations caused the market to slow in the second half of 2022

BY ROD JAMES

The market for secondhand stakes in private-equity funds reached $57 billion in transactions in the first six months of 2022, a first-half record, The Wall Street Journal reported. But activity dropped off in the second half, as a decline in the value of public stocks led to uncertainty over the valuations of privately held assets and their price on the secondary market.

Market participants are hoping the market will pick up in 2023 as institutional investors, such as public pension programs and endowments, sell portfolios of assets to free capital for new commitments, and as buyout managers, facing a difficult exit market, look for ways to hold on to prize assets.

The Wall Street Journal spoke to several secondary buyers and intermediaries about the market in 2022 and what this year is expected to bring. They include Wilson Warren, partner and president of **Lexington Partners**; Vladimir Colas, co-head of **Ardian U.S.**; Todd Miller, managing director in the private capital advisory team at **Jefferies Financial Group**; and Christopher Areson, partner in the secondary advisory group at **PJT Partners**. Responses have been edited for length and clarity.

WSJ: What surprised you about the secondary market in 2022?

MR. WARREN: As 2021 ended, [investors] were forecasting significant liquidity from their private-equity portfolios based on announced and expected exits of underlying portfolio companies. Some deals closed, providing liquidity, but market conditions have curtailed most forecasted exits. The result is that private-equity portfolios are not providing the cash flow expected by [fund investors], creating a growing need for liquidity and increasing secondary deal flow from all corners of the market. The change in outlook has been swift and somewhat surprising.

WSJ: How would you characterize secondary deal flow in 2022?

MR. COLAS: We estimate that over $200 billion of assets were put on the secondary market in 2022 and, of that, final transaction volumes are probably around $110 billion or $120 billion [down from about $130 billion in 2021]. We found buyers more ready to transact than in 2010, for example, where the market froze for a little while. But in this market, you cannot buy everything. Buyers came back and said, 'We can trade, but we'll only trade on these 10 funds out of the 30 funds that are for sale.' We've never seen that much cherry-picking in the market.

MR. MILLER: Typically, as it relates to the [limited partner]-led market, the second half of the year is busier than the first [but 2022] has been the opposite. Early in 2022, several multi-billion-dollar [fund] portfolios were brought to market. The second half has been quieter, and it's really reflective of [valuation] marks and buyers' perception that many portfolios have not been written down [to a level where they are willing to do a deal]. In some instances, buyers are noting the S&P 500 is trading at roughly 12.5-times trailing 12 months earnings before interest tax depreciation and amortization, while a number of buyout GPs are holding portfolio companies at levels much higher.

WSJ: How do you see the secondary investment opportunity set evolving in 2023 versus 2022?

MR. ARESON: One opportunity is going to be in infrastructure and specifically the power space. The passage of the Inflation Reduction Act is expected to provide incredible tailwinds for the renewable-energy sector. I think there will be legacy projects that require more time and capital and that trend could lend itself to single- and multi-asset general partner-led opportunities.

MR. COLAS: I wouldn't be surprised if we get close to $200 billion in total volume this year and of that I would expect close to three-quarters to be LP portfolios. There is a need for liquidity, there is an overall allocation issue. While I think GP-led deals will stay a very meaningful part of the market and volumes will also increase, I don't think the GP-led market really solves LPs' need for liquidity. If you need to make space for $1 billion or $2 billion in your portfolio, opting to sell in GP-leds will take a long time to get you there versus being able to just move a portfolio in one shot.

WSJ: What do you see as the biggest challenge facing the secondary market in the year ahead and why?

MR. MILLER: The secondary funds in the market are massive and, with the help of recycling and some leverage, can do a lot more in deals than the amount they raise. Despite that, our market is undercapitalized. We track the amount of dedicated secondary dry powder available [as a proportion of] secondary transaction volume. That multiple was at 2.5—3.0 times as recently as a couple of years ago. Today, that's probably down to under 1.5 times. If you look at the top 10 players, they still control the lion's share of secondary capital in our industry.

MR. ARESON: The valuation gap between where some assets are marked and where those on the buy side want them is a bridge that needs to be crossed. Where that creates opportunity is around structured transactions, such as deferrals, [net asset value] loans and preferred equity. LPs could decide to take proceeds from a NAV loan instead of selling outright, borrowing against a set of assets and taking advantage of a capital arbitrage that might exist between the cost of the debt and the expected appreciation of portfolio value.

ARDIAN | JEFFERIES FINANCIAL GROUP | LEXINGTON PARTNERS

From left to right: Vladimir Colas of Ardian U.S.; Todd Miller of Jefferies; and Wilson Warren of Lexington Partners.

Investors Avoid China

Continued from page B1

should come back at all, instead of the timing of coming back," he said. Mr. Rialan added that Pictet has a "fairly positive" outlook for Chinese assets in 2023.

Foreign investors may be even more reluctant to put money back into the Chinese bond market, as a key advantage Chinese government bonds once had over their U.S. counterparts disappeared in the middle of last year, investors say.

The 10-year Treasury note was recently yielding 3.56%, significantly above the 2.88% yield on 10-year Chinese government bonds.

"There's not a realistic case for spreads between Chinese and U.S. yields narrowing substantially in the near term. And that's really what's keeping bond market inflows on the back foot," said Logan Wright, Washington-based director of China markets research at Rhodium Group, an economics- and policy-research firm.

In October, most economists thought China wouldn't meaningfully dial back its zero-Covid policy until March, after a key political meeting. But Chinese authorities moved quickly. On Nov. 11, China shortened quarantines for inbound travelers and those identified as close contacts of infected patients. In December, it announced the removal of the last major pieces of the zero-Covid regime, including scrapping the daily publication of infected cases.

"The speed of reopening and the speed of infection peaking have both been faster than expected," said Jian Shi Cortesi, investment director for Asia equities at GAM Investments. Ms. Cortesi said that infections may have already peaked at the end of December and that she expected activities to normalize after the Lunar New Year holidays in late January. She added that her portfolio is already positioned for a China rebound.

> **Many foreign investors are asking whether they should come back at all.**

Investors returned to the stock market after the policy announcements, leading to a 10% rally in the domestic benchmark CSI 300 Index in November and December combined. The Chinese yuan also regained some ground in the final months of 2022 after weakening to a more than 14-year low against the dollar. The more freely traded offshore yuan ended last year 8% weaker against the greenback, according to FactSet.

Some investors took losses toward the end of last year and closed out positions in the Chinese stock market, meaning they missed the rally in the past six to eight weeks. They now face a dilemma about whether or not to re-enter Chinese markets, said Jasmine Duan, an investment strategist at RBC Wealth Management.

"They lack the confidence in Chinese equities at the moment and they may want to see more evidence such as improving economic data and a pickup in consumption, to turn more positive on China," Ms. Duan said.

The reopening of China's economy after the end of the zero-Covid policy stepped up a gear on Jan. 8, after the government removed almost all border restrictions. The move, which enacted a policy announced in December, has fueled optimism among those who see Chinese shares as a good buying opportunity.

"The news flow we've seen over the past weeks is basically removing all the concerns and major overhangs that have been weighing on the market for so long. It's all coming together," said Marco Klaus, Hong Kong-based chief investment officer at Silverhorn Group, an owner-operated investment firm.

But although there is plenty of good news for investors in China, it may not quite be good enough to drive major inflows.

"My take right now is that a lot of allocators are still sitting on the fence simply because the fear about investing in China has been so high that they will first have to get over that hurdle," Mr. Klaus said.

ANDY WONG/ASSOCIATED PRESS

Chinese shoppers prepare for the Year of the Rabbit with the reopening of the country's economy.

TPG Backs Solar Panel Startup

Continued from page B1

to homeowners. It offers rooftop solar panels, energy storage batteries and electric-vehicle charges, according to the company's website.

The TPG-led group, which also includes Westly Group and Activate Capital as new investors, is investing 215 million euros, equivalent to roughly $230 million, in the alternative-energy company for a total valuation of €2.4 billion, the people said. That would be more than double the €950 million valuation Enpal achieved in October 2021, when it raised new equity from SoftBank Group Corp.'s Vision Fund 2.

The Japan-based conglomerate among other existing investors also participated in the latest funding round, the people said.

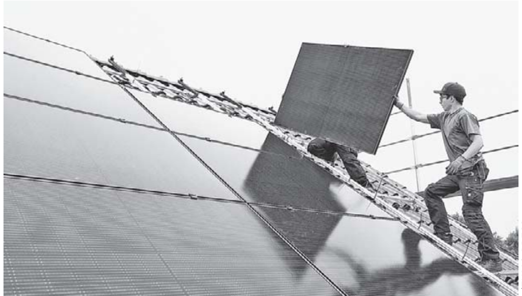
The fundraising stands out as an example of one of the few recent startups that are able to raise money at higher valuations in the private market. Investors have pulled back from new deals following the share decline in technology stocks last year.

Enpal is on stronger financial footing than many startups and is fast growing, according to the people. This gives Enpal a fundraising advantage in the current climate over high-risk, money-losing startups.

The Berlin-based company serves 30,000 residential customers and its revenue exceeded €400 million last year, the people said. The company's profit couldn't be learned.

TPG, which is investing in Enpal through its inaugural Rise Climate fund, is a global alternative asset manager overseeing $135 billion in assets. Its Enpal investment fits in with the firm's other bets on green-energy companies.

Recent investments include Intersect Power LLC, a developer of solar and battery-storage facilities in the U.S., and Rubicon Carbon, which aims to give buyers a simpler and safer way to invest in carbon credits. The buyout company's climate fund, which raised $7.3 billion in April, is one of several large private investors piling money into the sector.


OLIVER BERG/DPA/ZUMA PRESS

A workman installs solar panels on the roof of a residence.

New Highs and Lows

Continued From Page B6

Stock	Sym	52-Wk Hi/Lo	% Chg
HawksAcqn	HWKZ.U	10.01	0.4
HelixEnergy	HLX	7.62	2.6
Hologic	HOLX	81.97	2.5
HorizonSpaceI	HSPOU	10.12	0.3
HowmetAerospace	HWM	40.99	-0.9
IG Acqn A	IGAC	10.14	...
IXAcqnA	IXAQ	10.18	0.2
iHuman	IH	4.26	3.4
Immunovant	IMVT	20.24	-5.0
InfiniteAcqnUn	NFNT.U	10.26	0.4
InFinTAcqnUn	IFIN.U	10.87	0.6
InsightAcqnA	INAQ	10.14	0.3
InterParfums	IPAR	111.69	-0.1
InvestcorpIndiaA	IVCA	10.38	-0.1
IridiumComm	IRDM	60.20	-1.2
JattAcqnA	JATT	10.45	-0.2
J.Jill	JILL	27.52	-0.7
JackCreekInvt	JCICU	10.29	1.3
KoruMedSys	KRMD	4.05	3.4
KhoslaVentures	KVSA	10.09	0.2
KhoslaVenturesIII	KVSC	10.04	0.1
LSI Inds	LYTS	13.20	2.0
LasVegasSands	LVS	52.89	2.3
LibertyBraves A	BATRA	35.04	-1.3
LibertyBraves C	BATRK	34.42	-1.1
LibertyRscsA	LIBY	10.28	...
LincolnElectric	LECO	156.60	0.4
LionheartIII	LIONU	10.60	0.1
LomaNegra	LOMA	7.18	0.7
MinisoGroup	MNSO	13.34	3.1
MSD Acqn A	MSDA	10.60	...
M3-Brigade II A	MBAC	10.55	0.2
M3-BrigadeIII A	MBSC	10.22	0.2
ManchesterUnited	MANU	25.24	-0.9
MarlinTechA	FINM	10.16	...
MasonIndlTechA	MIT	10.03	0.2
MelcoResorts	MLCO	13.84	2.6
ModineMfg	MOD	22.83	4.9
MontereyCapRt	MCACR	0.30	-30.4
MuscleMaker	GRIL	1.13	3.0
NLS Pharm	NLSP	1.78	-8.3
NVE	NVEC	71.42	1.7
NatlBankshares	NKSH	41.94	-0.8
NewcourtAcqnA	NCAC	10.70	0.4
NobleRockAcqn	NRACU	10.16	0.5
NorthAtlAcqn	NAACU	10.13	0.3
NortheastCmBncp	NECB	15.33	-0.3
NorthernGenIII	NGC	10.09	0.1
NorthernStarIV	NSTD.U	10.07	0.1
NorthViewAcqn	NVAC	10.21	-0.5
NubiaBrandA	NUBI	10.24	...
O-I Glass	OI	19.92	1.7
OakValleyBncp	OVLY	24.90	-0.4
OsirisAcqn	OSI	10.22	0.8
ProofAcqnIA	PACI	10.24	-0.4
Paya	PAYA	9.72	24.4
PeridotAcqnIIA	PDOT	10.12	...
PerionNetwork	PERI	29.59	-1.0
Pinduoduo	PDD	99.30	-0.5
PioneerMerger	PACXU	10.19	0.1
PontemA	PNTM	10.16	0.2
PortageFintech	PFTAU	10.20	0.9
PoweredBrands	POWRU	10.12	0.2
PoweredBrandsA	POW	10.13	0.1
PrestigeCnsHlth	PBH	67.13	-0.3
PrimeImpactI A	PIAI	10.30	0.4
ProfDiversity	IPDN	2.29	4.2
Progressive	PGR	135.45	-1.9
PyxisTankersWt	PXSAW	1.60	16.5
Qomolangma	QOMO	10.55	0.1
QuantumFin	QFTA	10.13	0.1
RCF Acqn A	RCFA	10.32	0.1
RLI	RLI	138.05	-1.4
RenaissanceRe	RNR	194.14	-1.9
RhythmPharm	RYTM	34.99	-7.1
RoivantSciences	ROIV	9.57	1.8
RoivantSciencesWt	ROIVW	2.48	1.7
Schlumberger	SLB	56.28	2.1
ScilexWt	SCLXW	0.69	20.9
SculptorAcqnIA	SCUA	10.31	0.5
SeaportGlblAcqnII	SGII	10.23	0.1
SierraWireless	SWIR	30.99	...
SilverSpikeII	SPKBU	10.12	0.2
SilverSpikeII A	SPKB	10.13	0.1
SoJerseyInd	SJI	35.87	0.3
SpringValleyII A	SVII	10.79	0.4
StarGroup	SGU	12.31	-0.4
StrategicEd	STRA	85.88	-0.3
StudioCity	MSC	8.80	10.1
Supernova III A	STRE	10.11	0.1
TJX	TJX	83.13	-1.5
TPBAcqnIA	TPBA	10.06	0.2
TZP Strategies A	TZPS	10.13	0.1
TailwindIntlA	TWNI	10.13	...
Thermon	THR	21.38	1.6
360DigiTech	QFIN	24.48	2.1
ThunderBridgeIV A	THCP	10.50	...
Tidewater	TDW	39.38	4.1
TidewaterWt	TDW.WS	2.94	11.0
TitanMedical	TMDI	0.98	22.1
TortoiseEcoIII A	TRTL	10.05	0.3
Trip.com	TCOM	39.01	-1.7
Unifirst	UNF	204.25	0.2
UnitedRentals	URI	388.74	-0.4
UniversePharm	UPC	2.08	-11.1
VOC Energy	VOC	10.66	5.1
VectivBio	VECT	9.45	0.7
Vipshop	VIPS	15.82	-3.2
ViridianTherap	VRDN	33.17	20.1
VisionSensingA	VSAC	10.36	0.2
VivintSmartHome	VVNT	11.95	0.2
WarburgPincusI-B A	WPCB	10.15	0.1
WaverleyCap1 A	WAVC	10.09	0.2
WeatherfordIntl	WFRD	52.09	2.4
WillisLease	WLFC	65.19	1.4
WillisTowers	WTW	258.43	0.6
WW Ent	WWE	89.50	4.2
XFinancial	XYF	4.15	1.8
XPACAcqn	XPAX	10.05	0.3
Xunlei	XNET	2.18	4.5
YPF	YPF	9.77	3.2
YottaAcqnRt	YOTAR	0.17	17.9
YumChina	YUMC	59.66	1.6

Lows

Stock	Sym	52-Wk Hi/Lo	% Chg
AdTheorent	ADTH	1.44	-6.5
Arvinas	ARVN	27.01	-16.1
AscentSolar	ASTI	1.29	-4.4
AtlisMotor	AMV	2.51	-1.4
AuthenticEquWt	AEACW	0.00	-71.1
BaxterIntl	BAX	44.47	-7.7
BiondVaxPharm	BVXV	2.54	-10.3
Bionomics	BNOX	3.51	0.8
CalitheraBiosci	CALA	0.63	-81.8
CerberusCyber	CISO	2.05	-3.3
Cerus	CERS	2.53	-28.0
ChickenSoupPfdA	CSSEP	20.18	-3.4
CityOfficeREIT	CIO	8.03	-2.3
Cutera	CUTR	29.49	-23.3
DLH Holdings	DLHC	10.80	-8.4
DTRTHealthWt	DTRTW	0.00	100.0
D-WaveQuantum	QBTS	1.02	-4.5
Dave	DAVE	7.70	-3.6
DesignerBrands	DBI	9.06	-5.0
EditasMedicine	EDIT	7.71	-8.7
Erasca	ERAS	3.82	-7.3
EveloBiosci	EVLO	1.15	-5.0
FirstSavingsFin	FSFG	19.71	...
Hydrofarm	HYFM	1.22	-2.4
IG Acqn Wt	IGACW	0.00	-88.7
JackCreekInvt	JCICU	9.27	1.3
JackCreekA	JCIC	9.12	-3.8
L3HarrisTech	LHX	199.51	-2.5
MultiMetaVerse	MMV	2.40	-72.7
NabrivaTherap	NBRV	1.22	4.6
NatlHealthcare	NHC	55.36	-1.1
NeuroSense	NRSN	1.08	-2.4
NewYorkCityReit	NYC	1.58	-3.0
PMV Pharm	PMVP	7.57	-9.7
PSBusParksPfdX	PSBpX	11.97	-2.8
P3HealthPartners	PIII	1.50	-7.2
PaciraBioSci	PCRX	36.52	-0.7
PeakBio	PKBO	2.45	-27.3
RCF Acqn Wt	RCFA.WS	0.07	-34.1
Sai.TechGlobal	SAI	1.59	-11.7
SHF	SHFS	1.30	-11.6
SplashBeverage	SBEV	0.76	-6.2
TZP Strategies Wt	TZPSW	0.00	-70.0
26CapAcqnWt	ADERW	0.16	-16.6
Wag!Wt	PETWW	0.09	-23.3
Zenvia	ZENV	0.99	2.9
ZivoBiosci	ZIVO	2.16	8.3

Exchange-Traded Portfolios | WSJ.com/ETFresearch

Largest 100 exchange-traded funds, latest session

Monday, January 9, 2023

ETF	Symbol	Closing Price	Chg (%)	YTD (%)
CnsStapleSelSector	XLP	75.04	–0.98	0.7
DimenUSCoreEq2	DFAC	24.75	–0.04	1.9
EnSelSectorSPDR	XLE	87.25	–0.35	–0.3
FinSelSectorSPDR	XLF	35.25	–0.37	3.1
HealthCareSelSect	XLV	133.40	–1.67	–1.8
IndSelSectorSPDR	XLI	100.46	–0.45	2.3
InvscQQQI	QQQ	270.54	0.65	1.6
InvscS&P500EW	RSP	145.29	0.04	2.9
iSh0-5YTIPSBd	STIP	97.24	0.09	0.3
iShCoreDivGrowth	DGRO	50.55	–0.75	1.1
iShCoreHiDividend	HDV	105.51	–1.08	1.2
iShCoreMSCIEAFE	IEFA	64.19	0.44	4.1
iShCoreMSCIEM	IEMG	49.59	0.71	6.2
iShCoreMSCITotInt	IXUS	60.49	0.43	4.5
iShCoreS&P500	IVV	389.56	–0.07	1.4
iShCoreS&P MC	IJH	248.06	0.02	2.6
iShCoreS&P SC	IJR	97.03	–0.01	2.5
iShCoreS&PTotUS	ITOT	86.05	0.01	1.5
iShCoreTotalUSDBd	IUSB	46.00	0.26	2.4
iShCoreUSAggBd	AGG	99.34	0.25	2.4
iShSelectDividend	DVY	123.45	–0.41	2.4
iShESGAwareUSA	ESGU	85.90	...	1.4
iShEdgeMSCIMinUSA	USMV	72.93	–0.72	1.2
iShEdgeMSCIUSAQual	QUAL	116.05	–0.08	1.8
iShGoldTr	IAU	35.50	0.20	2.6
iShiBoxx$HYCpBd	HYG	75.80	0.36	2.9
iShiBoxx$InvGrCpBd	LQD	109.03	0.40	3.4
iShJPMUSDEmgBd	EMB	86.56	–0.20	2.3
iShMBSETF	MBB	95.11	0.30	2.5
iShMSCIACWI	ACWI	87.26	0.22	2.8
iShMSCI EAFE	EFA	68.42	0.43	4.2
iSh MSCI EM	EEM	40.37	0.75	6.5
iShMSCIEAFEValue	EFV	47.58	0.23	3.7
iShNatlMuniBd	MUB	106.87	0.23	1.3
iSh1-5YIGCorpBd	IGSB	50.22	0.08	0.8
iShRussell1000Gwth	IWF	216.02	0.52	0.8
iShRussell1000Val	IWD	154.80	–0.41	2.1
iShRussell2000	IWM	177.88	0.17	2.0
iShRussellMid-Cap	IWR	69.13	0.32	2.5
iShRussell1000	IWB	213.48	0.02	1.4
iShS&P500Growth	IVW	58.53	–0.03	0.1
iShS&P500Value	IVE	149.35	–0.03	3.0
iShShortTreaBd	SHV	110.00	0.01	0.1
iShTIPSBondETF	TIP	108.15	0.23	1.6
iSh1-3YTreasuryBd	SHY	81.60	0.10	0.5
iSh7-10YTreaBd	IEF	98.63	0.25	3.0
iSh20+YTreaBd	TLT	105.74	0.53	6.2
iShUSTreasuryBd	GOVT	23.20	0.26	2.1
JPMEquityPrem	JEPI	55.02	–0.29	1.0
JPM UltShIncm	JPST	50.18	0.02	0.1
SPDRBlm1-3MTB	BIL	91.51	0.02	0.04
SPDR Gold	GLD	174.10	0.22	2.6
SPDRPtfDevxUS	SPDW	30.94	0.55	4.2
SPDRS&P500Value	SPYV	40.05	...	3.0
SPDRPtfS&P500	SPLG	45.60	–0.04	1.4
SPDRS&P500Growth	SPYG	50.70	...	0.1
SchwabIntEquity	SCHF	33.59	0.54	4.3
SchwabUS BrdMkt	SCHB	45.45	...	1.4
SchwabUS Div	SCHD	77.07	–0.72	2.0
SchwabUS LC	SCHX	45.80	0.07	1.4
SchwabUS LC Grw	SCHG	55.83	0.83	0.5
SchwabUS SC	SCHA	41.48	0.27	2.4
Schwab US TIPs	SCHP	52.59	0.32	1.5
SPDR DJIA Tr	DIA	335.29	–0.29	1.2
SPDR S&PMdCpTr	MDY	454.01	–0.03	2.5
SPDR S&P 500	SPY	387.86	–0.06	1.4
SPDR S&P Div	SDY	127.29	–0.53	1.7
TechSelectSector	XLK	126.18	1.16	1.4
UtilitiesSelSector	XLU	71.48	0.68	1.4
VangdInfoTech	VGT	324.05	1.25	1.5
VangdSC Val	VBR	162.90	–0.10	2.6
VangdExtMkt	VXF	135.72	0.53	2.2
VangdDivApp	VIG	154.02	–0.30	1.4
VangdFTSEDevMk	VEA	43.71	0.44	4.1
VangdFTSE EM	VWO	41.21	0.54	5.7
VangdFTSE Europe	VGK	58.57	0.64	5.6
VangdFTSEAWxUS	VEU	52.45	0.52	4.6
VangdGrowth	VUG	216.02	0.87	1.4
VangdHlthCr	VHT	244.05	–1.56	–1.6
VangdHiDiv	VYM	109.82	–0.86	1.5
VangdIntrCorpBd	VCIT	79.51	0.38	2.6
VangdIntermTrea	VGIT	59.56	0.19	1.8
VangdLC	VV	176.64	0.06	1.4
VangdMC	VO	208.50	0.34	2.3
VangdMC Val	VOE	139.40	–0.07	3.1
VangdMBS	VMBS	46.72	0.41	2.6
VangdRealEst	VNQ	84.40	0.04	2.3
VangdS&P500ETF	VOO	356.33	–0.07	1.4
VangdST Bond	BSV	75.89	0.12	0.8
VangdSTCpBd	VCSH	75.81	0.12	0.8
VangdShtTmInfltn	VTIP	46.82	0.02	0.2
VangdShortTrea	VGSH	58.13	0.10	0.5
VangdSC	VB	188.00	0.31	2.4
VangdTaxExemptBd	VTEB	50.21	0.32	1.5
VangdTotalBd	BND	73.55	0.27	2.4
VangdTotIntlBd	BNDX	48.18	–0.25	1.6
VangdTotIntlStk	VXUS	54.02	0.54	4.4
VangdTotalStk	VTI	194.12	0.04	1.5
VangdTotWrldStk	VT	88.59	0.24	2.8
VangdValue	VTV	142.33	–0.75	1.4

Crypto Risk Management Draws Focus

FTX-related turmoil prompts questions on how to identify red flags about a firm

By Mengqi Sun

Cryptocurrency companies are disclosing more information about their internal controls and risk management following the collapse of FTX, but a level of transparency in the industry that would make many investors feel comfortable remains far off.

Without a federal regulatory regime for the nascent crypto industry in the U.S., risk-management measures vary by firm, and it remains difficult for outside observers—including investors and customers—to determine how effective these controls are until things go bad, industry experts say.

When a crypto firm is privately held and isn't subject to the disclosure requirements public companies face, such as third-party auditing, just learning what controls are in place can be a tall order.

"We need better risk management, more guardrails…and we need some of that installed into the crypto industry," said Jeff Horowitz, chief compliance officer at crypto custodian **BitGo**. Mr. Horowitz said BitGo's assets are kept separate from customer assets, and the company's operations go through a full examination once a year by regulators in South Dakota and New York, where the firm has operations.

Although most crypto firms aren't subject to formal federal regulation, many have adopted the enterprise-risk-management programs that U.S. watchdogs require of mainstream financial institutions after the 2008 financial crisis. These rules ask companies to identify, monitor and control risks in both their financials and operations through scenario planning and testing and framework implementation.

Among the risks being monitored are cybersecurity risks; legal and compliance risks, such as those arising from financial crimes and sanctions; credit risks that arise when funds are used as collateral and liquidity risks.

"These things sound good, but what's running through my mind is…are these efforts coordinated and connected and are we seeing gaps in these processes?" said Mark Beasley, director of the Enterprise Risk Management Initiative at North Carolina State University.

As the crypto industry works to reassure customers, there are signs that some of the efforts to bolster transparency are faltering. Accounting firm Mazars on Dec. 16 said it paused all work for crypto clients and withdrew from its website a report on reserves at **Binance** and other cryptocurrency-trading companies. Binance, whose own efforts at providing transparency have been criticized in recent weeks, said net outflows from its platform swelled to $6 billion in the period between Dec. 12 and Dec. 14.

A Binance spokeswoman said that Binance's capital structure is free from debt. She added that Binance passed a stress test in December and was able to fulfill large withdrawal requests "without breaking stride" and the firm is looking to provide additional transparency in the coming months.

MARC HALL / JEFF HOROWITZ / MALEMA VASQUEZ STUDIO

From left to right, Mark Beasley, a professor, Jeff Horowitz of BitGo and Thomas Hook of Bitstamp

Although stress testing for lending risks doesn't apply to custodians that hold assets on behalf of others, BitGo's Mr. Horowitz, who previously worked as the compliance chief at crypto exchange Coinbase Global Inc., said measures such as those established to manage banking risk can help identify potential problems, like those seen at FTX. He said his firm—whose assets under custody include about $1 billion for FTX under the failed exchange's new management team—conducts an annual audit of financial statements, a review of its anti-money-laundering and know-your-customer programs and has insurance in cases of fraud and for the potential loss of the cryptokeys for customers' wallets.

Crypto exchange **Bitstamp USA** Inc. said that it separates client digital assets from company assets and that it performs annual stress testing on the liquidity risks of client funds, including under hypothetical scenarios in which the exchange would have enough liquid assets to withstand material client withdrawals over short periods.

The exchange also has a global operations team that oversees customer onboarding, transactions monitoring and customer-service issues, said Bitstamp Chief Compliance Officer Thomas Hook. It has a global risk team in charge of companywide assessment but has regional compliance teams to ensure compliance with local regulatory requirements.

Bitstamp USA is licensed in New York state through a business license for virtual currency activities, known as a BitLicense and has compliance personnel in Europe, the U.K. and Singapore. Mr. Hook said these teams also report to the firm's senior management and board to ensure the firm's risk-management plan "doesn't happen in a silo."

At crypto exchange **Bittrex** Inc., Chief Compliance Officer Mike Carter said the firm's risk-management strategy includes the use of policies and processes to protect against cyberattacks and to protect data privacy in response to Europe's General Data Protection Regulation and privacy laws in place elsewhere.

The Seattle-based exchange also focuses on market surveillance and integrity to prevent potential misconduct on its marketplace.

Having experienced staff to implement and monitor the risk-management measures on a routine basis is also important, Mr. Carter said.

As the crypto industry matures, these executives said it is important for investors and consumers to check for signs of adequate risk management and compliance measures at crypto firms.

These include ascertaining the type of licensing a company might have, whether it is being audited and by whom, seeing proof of reserves backing customer deposits and disclosures about the company's business model, and determining whether the company has responsive customer service, they said.

Other signs include whether the company engages in outside due diligence, whether assets are segregated and how secure crypto assets passwords are kept.

In addition, potential customers should evaluate the maturity and makeup of a crypto firm's leadership team to ensure a cult of personality doesn't exist around it, said Mr. Hook of Bitstamp.

Ultimately, none of the efforts crypto firms make to be transparent or disclose risk-management efforts amount to a guarantee without formal regulatory oversight or the disclosure rules required of publicly traded companies.

"Many of the actors at that level of scale are good actors, but we won't know until all of the acts of the play have come about," said Doug Schwenk, chief executive of Digital Asset Research, which provides data on the crypto market and vets crypto exchanges on behalf of hedge funds.

Lawyers Are Tested In Battle

Continued from page B1

Bahamas, where Mr. Bankman-Fried had been jailed after the Justice Department requested that local police arrest him.

The two lawyers worked with local counsel to secure his transfer to U.S. custody while negotiating with federal prosecutors his pretrial release under a $250 million bond. They are now tasked with combing through voluminous and technical discovery, including documents relating to FTX investors, debtors and political campaigns.

Meanwhile, Mr. Bankman-Fried has stated that he intends to help customers recover their money, which some lawyers have said could conflict with his own defense.

The two lawyers declined to comment.

Mr. Cohen, a graduate of the University of Michigan Law School, worked in the U.S. attorney's office in Brooklyn from 1990 to 1995, where he spent some of his tenure working on business and securities fraud matters. He had a reputation for questioning witnesses in a way that jurors respected, said lawyer Mark Kirsch, who met Mr. Cohen at the office in 1991.

"His light touch when examining witnesses was extremely effective in obtaining information," Mr. Kirsch said.

Mr. Cohen founded his law firm with attorney Lawrence Gresser in 2002. It has since expanded to more than 80 lawyers with offices in New York, Washington, London and Paris.

Joel Cohen, a partner at law firm Gibson, Dunn & Crutcher LLP who isn't related to Mark, said Mark is his go-to person for referring clients he is unable to represent or for a senior executive needing a separate lawyer. The two men worked together representing a fund manager and analyst at hedge fund Wynnefield Capital Inc. in a yearslong insider-trading case brought by the Securities and Exchange Commission.

STEPHANIE KEITH/BLOOMBERG NEWS

Christian Everdell is one of the attorneys representing Sam Bankman-Fried of FTX.

During the trial, Mark Cohen showcased his ability to make legal arguments on the fly, including a 40-minute back-and-forth with a judge in which he cited case law off the top of his head, Joel Cohen said.

"He won the argument," Joel Cohen said. A jury found the defendants not liable in 2014.

Mr. Everdell, a Harvard Law School graduate, worked from 2007 to 2016 as a federal prosecutor in the Manhattan U.S. attorney's office, where he handled cases involving terrorism, complex fraud and money laundering involving a digital currency. He was part of a team that investigated and charged Joaquín "El Chapo" Guzmán Loera, the notorious leader of a Mexican drug cartel who spent decades on the run from authorities. He was among the prosecutors who worked with witnesses to locate the kingpin, who was eventually convicted in a Brooklyn federal court of 10 criminal counts connected to his cartel.

Sarah Krissoff, a former federal prosecutor, said Mr. Everdell takes a low-key approach that could be helpful in a high-drama case. "He's not a showman," she said. "He's a solid, trustworthy lawyer."

Mr. Everdell joined Mr. Cohen's firm in 2017.

The two men were part of a legal defense team that advised and represented disgraced Jeffrey Epstein associate Ghislaine Maxwell, who was convicted in late 2021 of sex-trafficking offenses for recruiting underage girls for the disgraced financier. One of Mr. Everdell's filings in the case led the presiding judge to lower Ms. Maxwell's recommended potential sentence under federal sentencing guidelines.

White-collar defense lawyer Glen McGorty of Crowell & Moring LLP, who has known Mr. Everdell since college, said he is empathetic when working with a defendant facing serious consequences.

"He's undaunted by what may seem like an impossible defense," said Mr. McGorty.

Stock Indexes Are Mixed

Continued from page B1

ruptcy within weeks, The Wall Street Journal has reported. **Uber Technologies** rose $1, or 3.8%, to $27.40 after analysts at Piper Sandler raised their target price for the ride-hailing stock.

PATRICK PLEUL/DPA/ZUMA PRESS

Tesla was the S&P 500's best performer, rising 5.9% to $119.77.

Tesla was the S&P 500's best performer, rising $6.71, or 5.9%, to $119.77 and extending its rebound from a two-year low it hit last week. **Regeneron Pharmaceuticals** was among the biggest laggards, tumbling $56.66, or 7.7%, to $680.49 after the drugmaker reported lower sales of its Eylea treatment than Wall Street was expecting.

MONDAY'S MARKETS

Lululemon Athletica fell $30.60, or 9.3%, to $298.66 after the athletic-apparel maker said it expected profit margins to fall in its fourth quarter.

Government bonds yields fell. The yield on 10-year Treasury notes fell to 3.516% from 3.570% Friday. Two-year yields slipped to 4.197%, down from 4.260% Friday.

The dollar weakened, extending a decline that could help tame inflation in economies that import a lot of their raw materials and energy. The euro and pound appreciated against the dollar, sending the WSJ Dollar Index down 0.6%.

Brazilian markets came under pressure after supporters of former President Jair Bolsonaro stormed the capital over the weekend, with the Brazilian real falling 0.6% against the dollar.

The Bovespa stock index has fallen around 5% since Leftist President Luiz Inácio Lula da Silva defeated Mr. Bolsonaro in Brazil's closest-ever presidential race in October.

Global markets rallied, catching up with U.S. gains late last week. The Stoxx Europe 600, which has had a strong start to the year, rose 0.9%. Asian indexes advanced. Hong Kong's Hang Seng rose 1.9% to notch its highest close in six months.

Chinese internet giant **Alibaba**'s American depositary receipts rallied 3.2% after the company's co-founder, Jack Ma ceded control of the fintech giant Ant Group.

Oil prices rose, paring last week's losses.

China's reopening is beginning to raise oil demand, and that is helping push prices up, said Tamas Varga of PVM Oil Associates. Most actively traded futures for Brent crude, the international benchmark, rose $1.08, or 1.4%, to $79.65 a barrel.

Early Tuesday, Japan's Nikkei was up 0.9%, the Hang Seng was down 0.8% and the Shanghai Composite was up 0.3%. S&P 500 futures fell 0.4%.

AUCTION RESULTS

Here are the results of Monday's Treasury auctions. All bids are awarded at a single price at the market-clearing yield. Rates are determined by the difference between that price and the face value.

	13-Week	26-Week
Applications	$154,728,881,100	$123,831,795,700
Accepted bids	$62,863,425,100	$52,937,320,700
" noncomp	$2,120,965,100	$2,037,161,500
" foreign noncomp	$992,000,000	$664,000,000
Auction price (rate)	98.847333	97.618833
	(4.560%)	(4.710%)
	4.677%	4.892%
Bids at clearing yield accepted	75.44%	67.95%
	912796YU7	912796XQ7

Both issues are dated Jan. 12, 2023. The 13-week bills mature on April 13, 2023; the 26-week bills mature on July 13, 2023.

Former GoldPoint Executives Launch Midmarket Manager

By Rod James

Six former executives from GoldPoint Partners LLC launched a new investment firm, more than a year after their collective departure from the New York Life Insurance Co. affiliate.

The executives have formed Dextra Partners LLC, a multi-strategy private investment manager focused on the middle market, according to a statement seen by The Wall Street Journal. The New York-based firm is starting out with $2.5 billion of capital to invest across a number of vehicles from a "select group" of investors.

The firm declined to comment on the identities of the investors.

Dextra's founding partners are Quint Barker, Thomas Haubenstricker, Scott Iorio, Michael Kho, Binayak Mishra and Vijay Palkar, according to the statement.

Mr. Barker was GoldPoint's chief investment officer, while Mr. Haubenstricker was chief executive and Mr. Palkar, head of its investment team. The remaining co-founders served as managing principals.

Dextra aims to build relationships with top-performing middle-market sponsors at an early stage in their life cycles to help them "strategically scale their platforms and portfolio companies," the statement said.

Gibson Dunn & Crutcher LLP served as legal adviser in the formation of Dextra. Atlantic-Pacific Capital and Campbell Lutyens & Co. Inc. served as financial advisers, according to the statement.

According to a registered investment adviser filing with the Securities and Exchange Commission, the firm will offer products dedicated to new private-equity fund commitments, secondhand purchases of private capital assets, firm-management company stakes, co-investments and private debt through commingled investment funds as well as separate accounts for specific investors. Most of its investments will be in the U.S., the filing stated.

The New York firm is starting out with $2.5 billion of capital to invest.

The managing partners of Dextra all left GoldPoint in the second half of 2021, according to reports by trade publication Private Equity International. At the time, GoldPoint had $15.6 billion in capital invested across private-equity and private-debt funds. The departures triggered key-person clauses in three of GoldPoint's active funds and led to a halt to live fundraising while investors decided how to proceed.

In a letter to limited partners reported by the trade publication, New York Life Investments Alternatives said there had been a "philosophical disagreement" with the departing executives over the parent organization's plan to create "greater integration and coordination" across its platform.

In April, New York Life Investments said it would rebrand its New York Life Investments Alternatives as Apogem Capital, part of efforts to counter investors' growing tendency to invest with a smaller number of managers. Apogem comprises GoldPoint, senior lender Madison Capital Funding and private-equity and secondary firm PA Capital, and had around $37 billion in assets under management at the time.

HEARD ON THE STREET

FINANCIAL ANALYSIS & COMMENTARY

Energy Bulls Get Paid to Stay Calm

Oil and gas stocks are holding steady despite weaker energy prices—lavish share buybacks may be one reason

Energy prices and energy stocks have moved in different directions in recent months. The wind will change one way or the other.

Benchmark Brent crude has fallen to around $80 a barrel, having averaged $101 in 2022. China's messy reopening after almost three years of Covid-19 restrictions and the prospect of a global recession caused by rising interest-rate rises have weakened the outlook for oil demand.

Natural-gas prices also had a mellow start to 2023. Wholesale natural-gas prices in northwest Europe are €70, equivalent to about $75, a megawatt-hour. This is back to levels seen before Russia invaded Ukraine, and a sharp fall from August's €350 high, when the European Union was frantically building stores for winter after the Kremlin cut pipeline flows. Unusually warm weather means the region's gas-storage facilities are 83% full and should be in better shape than expected by the end of the heating season.

Yet energy stocks are flying high. In the past two months, the likes of **Shell** and **BP** gave up some of last year's striking outperformance versus European markets, but they haven't followed oil and gas prices south.

Generous share buyback programs are part of the explanation. Last year, free cash flow among the integrated European energy companies reached $141 billion, almost twice 2021 levels, brokerage Bernstein notes. As a result, they boosted dividends and announced buybacks worth $42 billion, compared with $9 billion a year earlier. Shell, which accounts for close to half of this total, is buying around 20% of its daily traded volumes.

Such generosity can only continue while the companies are making more money than usual, particularly given additional taxes—Shell said last week that it will hand $2 billion in windfall levies to the EU and U.K. for the fourth quarter. This may boil down to a bet that the lull in energy prices will be temporary.

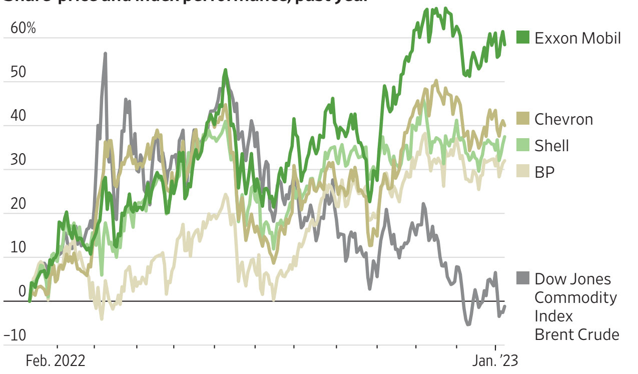
Europe will soon need to top up its gas-storage facilities for another winter without the Russian pipeline flows it relied on before the war. Even with healthy levels in storage, the region will have to pay a premium over Asian buyers to attract seaborne LNG cargoes. Big Chinese buyers, which bought 20% less than normal last year, should come back to the market as the country fully reopens. And global LNG supply will remain tight as meaningful new production is only expected from 2025 onward.

In oil markets, the Kremlin banned sales to countries that comply with the recently imposed G-7 $60 cap on the price of Russian oil. The country's deputy prime minister, Alexander Novak, said Russia could cut production by up to 7% in response to the cap, which would trim global supply. There may be a hefty buyer in the market this year when the Biden administration begins to refill the Strategic Petroleum Reserve—although Washington's ambition to pay below the current market rate could mean it moves slowly.

A peace agreement that ends tensions between Moscow and Kyiv and returns Russian oil and gas flows to normal would upend the picture, but that looks far-fetched for now. The big risk to today's bullish consensus is therefore that the macroeconomic news gets steadily worse, eventually forcing producers to rein in buybacks. Fourth-quarter results may offer some clues, but there will be plenty of others too. Owning energy stocks this year will require constant macroeconomic monitoring.

—Carol Ryan

Share-price and index performance, past year



Source: FactSet

Belt and Road Plan Is Not Out

The Belt and Road Initiative—China's gargantuan overseas infrastructure push which began gaining steam in the mid 2010s—has been the subject of some belt tightening recently.

It is too early to write it off entirely. The BRI's retrenchment during the pandemic has been remarkable in Asia—where much of the funding was initially committed. It is however still expanding its footprint rapidly in Latin America, at least in foreign-direct investment terms. And even in some trouble spots such as Pakistan, Beijing is unlikely to abandon its megaprojects, given how much it has already invested.

The latest round of political headaches in Pakistan came at Gwadar, home to the BRI's Gwadar Port project. Nikkei Asia reports that protesters angry over deep-sea trawling, security checkpoints around the port and other issues began blockading the port in late 2022, triggering a police raid in late December. Chinese nationals in Pakistan have been targeted in violent attacks in recent months.

Pakistan was supposed to be a politically easy place for China given the countries' common history of conflict with India. But it has instead become a symbol of the BRI's broader problems: many lower-income governments are no longer sure such expensive projects are worthwhile, and are wary of the indebtedness and local opposition they often create. High global interest rates, falling emerging-market currencies and economic damage from the pandemic have strengthened the hand of BRI skeptics.

It is no surprise then that both China's lending to and direct investment in BRI countries have plummeted in recent years, according to French bank Natixis. Partly that reflects a pullback in Chinese financing globally as most economies, including China's, struggled during the pandemic. China's average annual outward foreign-direct investment fell 72% in 2020-21 from 2015-19 average levels. China's FDI in BRI countries fell slightly less sharply—by 62%.

Still, the drop-off in investment hasn't been uniform. China's average annual direct investment in Latin American countries actually quadrupled in the 2020-21 period compared with the five-year period before, according to Natixis's data. Much of that has been mergers and acquisitions of Latin American state assets. Some governments in Latin America might have decided that asset sales were a way to gain fiscal space after the hit from Covid-19.

China has clearly been burned by some of its most high-profile greenfield overseas infrastructure projects such as Gwadar in Pakistan and Hambantota port in Sri Lanka. Direct investments in infrastructure assets already producing income streams might be one way to build credit with local governments without the financial and political risks that come from lending to new megaprojects in unstable regions. And Latin America's abundant agricultural and mineral resources are obviously of interest to Beijing.

Regardless, it is probably unrealistic to imagine that Beijing will abandon projects such as Gwadar. Michael Kugelman, director of the South Asia Institute at the Wilson Center in Washington, believes Beijing isn't about to give up on BRI. Mr. Kugelman says that these projects remain critical for China's economic interests and, if Beijing has any long-term plans to translate some of them into military assets, for its strategic interests as well.

Instead, what seems likely is a more discerning BRI more focused on financial returns—and on getting along with the locals.

—Megha Mandavia

LIU TIAN/XINHUA/ZUMA PRESS

The latest round of political headaches in Pakistan came at Gwadar, above.

Google May Need to Be Un-Google-Like

Google doesn't like to do layoffs. It might still find that it has to.

The internet giant has been avoiding the tech layoff trend so far. **Salesforce** announced cuts affecting about 8,000 employees last week, following a raft of reduction plans from a swath of tech players. Layoffs are falling especially hard in the online-advertising business. Combined cuts at Facebook parent **Meta Platforms**, **Amazon.com**, Snapchat's parent **Snap** and Twitter total about 34,000 workers, according to disclosures from the companies and reporting by The Wall Street Journal.

Meta's announcement in early November that it would lay off 13% of its workforce sparked speculation that Google might have to follow. Both depend on online advertising for most of their revenue, and that market is taking a hard hit. Analysts estimate that ad revenue for Google parent **Alphabet** grew just 9% in 2022 compared with 43% the previous year, while Facebook's parent is expected to show an annual ad-revenue decline for the first time ever, according to FactSet. Advertising-revenue growth for both is expected to stay in single-digit territory in 2023.

But Google is no Facebook. The latter's hard pivot into "metaverse company" had sparked a rebellion among its investors. Meta's share price had collapsed more than 70% for the year before the company announced its layoff plan two weeks following third-quarter results in late October.

Alphabet's stock price has vastly outperformed Meta's over the last year. Search advertising has also proven more resilient to the slowing economy and changes made by **Apple** to its mobile platform, as opposed to social-network ads on platforms like Facebook and Snap. And Alphabet remains strong financially, with more than twice Meta's net cash balance and trailing 12-month free cash flow.

Still, Google hasn't escaped the pain of the advertising downturn. Operating margins in the core Google Services segment that mostly reflects the ad business fell 7 percentage points in the third quarter. That put a further spotlight on the company's blistering head-count growth: More than 30,000 new Googlers were added in the first nine months of 2022—more than the company has added in any full year prior.

Alphabet executives promised that head-count growth would slow significantly, but that might not prove enough in a market where investors are looking for more drastic cost reductions. Google makes billions a year on intellectual property such as search algorithms, so the people who develop that property are its greatest asset—and cost center. Alphabet's median employee pay for 2021 totaled $295,884—the highest in the S&P 500, according to calculations by the Journal.

The company has never done large-scale layoffs in its core business. The idea of mass layoffs strikes deep at the heart of the company's employee-centric culture. Google used its first initial public offering filing in 2004 to tout some of its perks—including "meals free of charge, doctors and washing machines"—as a competitive advantage to keep workers engaged and productive. "Expect us to add benefits rather than pare them down over time," the filing read.

But Google had about 1,900 staffers then, compared with nearly 187,000 now. And the recent hiring surge has brought the company's trailing 12-month revenue per employee down 8% from the start of the year to the end of the third quarter. With rivals actively looking to do more with less, some Googlers may need to start springing for their own laundry again.

—Dan Gallagher

Using Up America's Oil Reserve Was Easy. Refilling It Won't Be.

It took less than a year to draw 180 million barrels of oil out of the U.S. Strategic Petroleum Reserve. Replacing those barrels will likely take a lot longer, if it happens at all.

After President Biden authorized a historic emergency release last year, there were roughly 372.4 million barrels left in the SPR as of Dec. 30, the lowest level in 39 years. No wonder the Energy Department is pivoting toward a refill: In mid-December, the agency announced that it would start repurchasing crude for the SPR. It is taking baby steps, starting with a 3-million-barrel pilot program under which it would offer market participants a fixed price for future delivery. This is a new approach for the DOE, which has typically purchased for more immediate delivery. The idea is to use the fixed-price contracts as a carrot for U.S. oil producers to invest in production.

The carrot might not be all that enticing, though. The White House has indicated that it plans to repurchase crude oil for the SPR when West Texas Intermediate crude oil prices are at or below $67-72 a barrel. That number applies to both current delivery and future delivery. In a November interview on Bloomberg TV, Amos Hochstein, the State Department's energy envoy, clarified that the DOE will start buying back barrels when "prices get to somewhere in the $70 range on a consistent basis."

A good buying window might be approaching if the administration wants to take it: WTI crude is trading around $74 a barrel today. Waiting around to sign future delivery contracts at the $70-a-barrel range could prove trickier.

"I'm skeptical they'll get a lot of interest from folks," says Bob McNally, president of Washington-based consulting firm Rapidan Energy Group, who notes that while some producers do sell contracts up to one year out as a hedge, it is rarer for them to lock in prices for further-out delivery.

The point at which WTI prices fall below $70 a barrel is October 2024, 21 months out. To attract more interest, the DOE might have to offer a higher purchase price. In fact, Bloomberg reported Friday that the Biden administration is delaying the replenishment of the SPR because the offers it received are either too expensive or didn't meet required specifications.

A DOE spokeswoman confirmed that the agency won't be buying for the February delivery window. "DOE will only select bids that meet the required crude specifications and that are at a price that is a good deal for taxpayers," the spokeswoman said in an email.

Another question is whether the DOE even has enough funding to fill the SPR to the brim. Through last year's emergency release, the government sold 180 million barrels at around $96 a barrel, implying $17.3 billion in proceeds. Of that, some $12.5 billion was stripped away for congressional use in the latest spending bill, according to Kevin Book, managing director at ClearView Energy Partners, a Washington-based energy research firm. That leaves the DOE with roughly $4.8 billion of purchasing power.

A good buying window might be approaching if the administration wants to take it.

Even if the DOE does manage to refill at $70 a barrel, that implies an SPR top-up of less than 70 million barrels, which would only take the SPR back up to 440 million barrels, the amount it had in 1984. On a finer accounting point, Congress left intact 26 million barrels worth of mandated SPR sales this fiscal year but there are also around 25 million barrels that need to be returned to the SPR through its exchange program by the end of fiscal year 2024—so those barrels effectively cancel each other out.

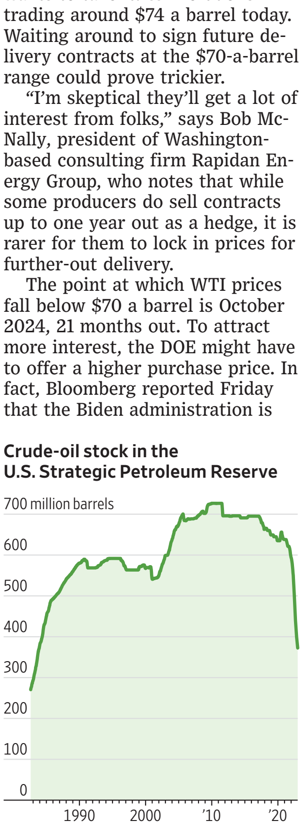
So what would it take for the DOE to refill the SPR? One option is for Congress to direct funding toward the SPR Petroleum Account, a move that seems unlikely since there doesn't appear to be much political will to direct funds toward the SPR, according to Mr. Book. Another possibility is a major downturn that severely reduces oil prices.

Oil-industry analysts generally agree that the 180-million-barrel emergency release last year helped relieve upward pressure on oil prices. The White House was using the $70-a-barrel purchase intention in the hope that it would put a floor on oil prices to motivate future production. The DOE's depleted wallet for SPR refills, though, means that the floor probably won't be very effective.

What seems more likely is a new normal for the SPR, which might be left leaner for quite some time. With European sanctions on Russian petroleum-product imports still a month away and a reopening of China under way, that cushion could be useful.

*—Jinjoo Lee**

Crude-oil stock in the U.S. Strategic Petroleum Reserve



Source: U.S. Energy Information Administration